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6.1 RELOCATION ASSISTANCE

Responsibility for the relocation assistance function of the Real Estate Section lies with the Relocation Assistance Unit, under the supervision of the Real Estate Relocation Assistance Officer. This relocation assistance function consists of the effective administration and accomplishment of the Department's Relocation Assistance Program, including statewide compliance with all regulations governing relocation services and payments. The purpose of administering the Relocation Assistance Program is to insure full entitlement and equitable treatment for all persons, businesses, farms and non-profit organizations displaced by DOTD projects. The relocation assistance function is accomplished by various activities including, but not limited to:

- Establishing relocation assistance policies and procedures compatible with Federal, State, local and DOTD laws and regulations;
- Preparing, analyzing and evaluating relocation assistance data;
- Training and directing sufficient staff.

RESPONSIBILITIES:

1. The Real Estate Relocation Assistance Officer will oversee the preparation and necessary updating of the Department's Brochure entitled *Acquisition of Right of Way and Relocation Assistance*, which explains the Relocation Assistance Program and is made available to all displacees.
2. The Real Estate Relocation Assistance Officer will assist the Real Estate District Manager in the preparation of the Public [Hearing Information Scripts](#) that are presented at Public Hearings. The Relocation Assistance Officer may attend such Public Hearings, if circumstances warrant.

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3. The Real Estate Relocation Assistance Officer will review and exercise final approval of all Right of Way Stage Relocation Plans prepared by District personnel.
4. The Real Estate Relocation Assistance Officer will keep abreast of the latest laws and regulations affecting relocation assistance and will provide for updating the Relocation Section of the Real Estate Manual accordingly.
5. The Real Estate Relocation Assistance Officer will inform the Real Estate Administrator of his/her concurrence or disagreement with the recommendation contained in the Relocation Plan regarding the establishment of a project site office.
6. The Real Estate Relocation Assistance Officer will make the final determination concerning eligibility of displaced businesses, farms or non-profit organizations for fixed moving cost (In Lieu) payments, after consultation with District personnel.
7. The Real Estate Relocation Assistance Officer will review displacees' statements and/or letters of dissatisfaction prior to the institution of the formal appeals process.
8. The Real Estate Relocation Assistance Officer will effectively train and direct a sufficient number of Real Estate Agents to provide for statewide compliance with Federal, State, local and DOTD laws and regulations in the administration of the Relocation Assistance Program.
9. The staff of the Relocation Assistance Unit will visit each of the nine Real Estate District Offices to manage relocation activities. The frequency of the visits will be on an as needed basis and to the extent necessary to insure compliance with policies, procedures, laws, and regulations.
10. During the visits to the Districts, the staff of the Relocation Assistance Unit will discuss relocation assistance policies and procedures, specific relocation problems that District personnel

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may be experiencing, and suggestions for possible solutions to problems.

11. As directed in [Real Estate Manual Section 7](#), statistics on displacees' races and ages will be captured by field agents and recorded on the Occupant Inventory Forms and in the Relocation database.

6.2 PURPOSE AND AUTHORIZATION

The purpose hereof is to set forth the basic policies and procedural practices of the Real Estate Section of the Louisiana Department of Transportation and Development in the statewide implementation and administration of the Relocation Assistance Program. The Relocation Assistance Program is administered under the provision of Louisiana Revised Statutes 38:3101 - 3110, effective March 2, 1972 and July 15, 1982, allowing compliance with Public Law 91-646, dated January 2, 1971, and entitled "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970" as amended. The purpose of the Relocation Assistance Program is to provide an orderly, timely, and efficient relocation of persons and businesses and to supply information about services and payments that are available through the Department and other agencies.

ORGANIZATION:

1. The Real Estate Section of the Department of Transportation and Development is under the administrative supervision of the Real Estate Administrator. The Real Estate Administrator can waive any policy or procedure within the Real Estate Section that is not explicitly mandated by federal or state law or the Code of Federal Regulations. This waiver must be made in writing with a copy to the file to which it pertains. The R.E. Administrative Manager assists the Real Estate Administrator in the administrative function.
2. Reporting directly to the Real Estate Administrative Officer is the Real Estate Relocation Assistance Officer, whose primary responsibility is the administration of the Department's statewide relocation assistance program, as well as the technical relocation assistance supervision and quality control over all individuals involved in relocation assistance activities.
3. Reporting to the Real Estate Relocation Assistance Officer is an adequate staff properly trained in relocation assistance procedures, consisting of at least one Headquarters relocation agents and one relocation agent in each District. Every District

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Real Estate Agent shall be adequately trained in relocation procedures.

4. Under the technical supervision of the Real Estate Administrator are nine Real Estate District Managers and an adequate staff properly trained in the implementation of the Department's relocation assistance program. On each DOTD project with relocation, the Real Estate District Manager will assign one or more members of his/her staff the responsibility of providing relocation assistance to displaced persons in the project, unless the R.E. Project Manager determines that relocation on that project will be handled by the Statewide Gang.

6.3 DEFINITIONS

1. **BUSINESS** Any lawful activity, except a farm operation, that is conducted:
 - a. Primarily for the purchase, sale, and rental of personal property, and/or for the manufacture, processing, or marketing of products, commodities or any other personal property; or
 - b. Primarily for the sale of services to the public; or
 - c. Primarily for outdoor advertising purposes, when the display(s) must be moved as a result of the project, or
 - d. By a nonprofit organization that has established its nonprofit status under applicable Federal and State Law.

2. COMPARABLE REPLACEMENT DWELLING

A comparable replacement dwelling is a dwelling that is:

- a. Decent, safe, and sanitary;
- b. Functionally equivalent to the displacement dwelling with particular attention to the number of rooms and living space. Functionally equivalent means that it performs the same function and provides the same utility;
- c. Adequate in size to accommodate the occupants. (See definition for [Habitable Living Space](#) in this section.) As a general rule, unmarried children over the age of ten sharing a bedroom must be of the same gender.
- d. Is in an area that is not subject to unreasonable adverse environmental conditions, is not generally less desirable than the location of the displaced person's dwelling with respect to public utilities and commercial and public

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utilities, and is reasonably accessible to the person's place of employment;

- e. On a site that is typical in size for residential development with normal site improvements, including customary landscaping. If the site does not have attributes found in the displacement dwelling, such as outbuildings, swimming pools, and greenhouses, the costs of adding such attributes shall be added to the purchase price of the comparable.
- f. Currently available to the displaced person on the private market. However, a comparable replacement dwelling for a person receiving government housing assistance before displacement may reflect similar government housing assistance.
- g. Within the financial means of the displaced person:
 - i. A replacement dwelling purchased by an owner-occupant in occupancy for at least as 180 days prior to initiation of negotiations (180-Day Owner-Occupant) is considered to be within the homeowner's financial means if the homeowner is paid the full price differential, all increased mortgage interest costs, and all incidental expenses, plus any additional amount required under replacement housing of last resort.
 - ii. A replacement dwelling rented by a displaced tenant of at least 90 days or an owner-occupant at least 90 but fewer than 180 days is considered to be within his/her financial means if, after receiving rental assistance under this part, the person's monthly household rent and utility costs for the displacement dwelling do not exceed the person's base monthly rental for the displacement site. The base monthly rental for the displacement site is the lesser of:

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1. The average monthly cost for rent and utilities at the displacement dwelling, as determined by the Department. For an owner-occupant, use the fair market rent for the displacement dwelling. For a tenant who paid little or no rent for the displacement dwelling, use the fair market rent, unless its use would result in a hardship because of the person's income or other circumstances); or
 2. Thirty (30) percent of the displaced person's average monthly gross household income if the amount is classified as "low income" by the U.S. Department of Housing and Urban Development's Annual Survey of Home Program Income Limits. The base monthly rental shall be established solely on the criteria in paragraph 1. above for persons with income exceeding the survey's "low income" limits, for persons refusing to provide appropriate evidence of income, and for persons who are dependents. A full time student or resident of an institution may be assumed to be a dependent, unless the person demonstrates otherwise; or,
 3. The total of the amounts designated for shelter and utilities if the displaced person is receiving a welfare assistance payment from a program that designates the amounts for shelter and utilities.
- iii. For a displaced person who does not meet length-of-occupancy requirements, comparable replacement rental housing is considered to be within the person's financial means if the Department pays that portion of the monthly housing costs of a replacement dwelling which exceeds the person's base monthly rent for the displacement dwelling as described in g.ii, 1., 2 & 3.

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For a person receiving government-housing assistance before displacement, a dwelling may reflect similar government housing assistance. In such cases, any requirements of the government housing assistance program relative to the size of the replacement dwelling shall apply.

- iv. To the extent feasible, comparable replacement dwellings shall be selected from the neighborhood in which the displacement dwelling is located, or, if that is not possible, in nearby or similar neighborhoods where housing costs are generally the same or higher.

3. **CONTRIBUTES MATERIALLY** During the two (2) taxable years prior dislocation (or any other period that the Department determines is more equitable), a business or farm considered to have contributed materially if it:

- a. Had average annual gross receipts of at least \$5,000; or
- b. Had average annual net earnings of at least \$2,000; or
- c. Contributed at least 33-1/3 percent of the owner's or operator's average annual gross income from all sources; or
- d. If the application of the above criteria creates an inequity or hardship in any given case, some other more appropriate criteria may be used.

4. **DATE OF ACQUISITION** The date the Department acquires legal possession of real property either through payment of Just Compensation price or through expropriation.

5. **DECENT, SAFE AND SANITARY (DSS) STANDARDS**

All replacement housing considered and/or utilized in connection with the Relocation Assistance Program must be decent, safe, and sanitary: a dwelling which meets local housing and occupancy codes. However, any of the following standards which are not met

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by the local code shall apply unless waived for good cause by the Federal Agency funding the project.

MINIMUM STANDARDS - The dwelling shall:

- a. Be a safe and typical distance from the roadway, as well as being in compliance with local zoning requirements. be structurally sound, weather tight, and in good repair.
- b. Contain a safe electrical wiring system adequate for lighting and other electrical devices.
- c. Contain a heating system capable of sustaining a healthful temperature for a displaced person, except in those areas where local climatic conditions do not require such a system.

NOTE: A space heating unit is acceptable provided that it conforms with the manufacturer's specifications and at a minimum has:

- i. A fully enclosed burner preventing anyone from touching the flame.
 - ii. An automatic oxygen depletion cut-off valve.
 - iii. An automatic gas interruption cut-off valve.
 - iv. A self-contained electronic spark lighter.
 - v. Venting to the outside, unless the unit is designed to be unvented.
 - vi. Approval by the Underwriters Laboratories (UL) or the American Gas Association (AGA).
- d. Contain adequate [habitable floor space](#) with respect to the number of rooms and area of living space needed to accommodate the displaced person. The number of persons occupying each habitable room used for sleeping

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purposes shall not exceed that permitted by local housing codes or, in the absence of local codes, the policies of the displacing Agency. In addition, the displacing Agency shall follow the requirements for separate bedrooms for children of the opposite gender included in local housing codes or in the absence of local codes, the policies of such Agencies;

- e. There shall be a separate, well-lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator.
- f. Contains unobstructed egress to safe, open space at ground level.
- g. For a handicapped displacee, be free of any barriers that would preclude reasonable ingress, egress, or use of the dwelling by a displaced person who is handicapped.

6. DISPLACED PERSONS Any person who moves from the real property or moves his or her personal property from the real property:

- a. As a direct result of the Department's acquisition of such real property in whole or in part for a project. This includes any person who moved from the real property as a result of the initiation of negotiations. In the case of a partial acquisition, the Department shall determine whether the person is displaced as a direct result of the partial acquisition; or
- b. As a result of a written order from the Department to vacate such real property for the project; or

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- c. As a result of the Department's acquisition of or written order to vacate other real property for a project on which there is a business, farm operation, or nonprofit organization. Eligibility as a displaced person under this subparagraph applies only for purposes of obtaining relocation assistance advisory services and moving expenses.
- d. EXCLUSIONS - The following is a nonexclusive listing of persons who do not qualify as displaced persons under this part:
 - i. A person who moves before the initiation of negotiations, unless the Department determines that the person was displaced as a direct result of the program or project; or
 - ii. A person who initially enters into occupancy of the property after the date of its acquisition for the project; or
 - iii. A person who has occupied the property for the purpose of obtaining assistance under the Uniform Act; or
 - iv. A person who is not required to relocate permanently as a direct result of a project. Such determination shall be made by the Department in accordance with any guidelines established by the Federal agency funding the project; or
 - v. An owner-occupant who moves as a result of an acquisition of real property, or as a result of the rehabilitation or demolition of the real property.
 - vi. A person whom the Department determines is not displaced as a direct result of a partial acquisition; or

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- vii. A person who, after receiving a notice of relocation eligibility, is notified in writing that he/she will not be displaced for a project. Such written notification shall not be issued unless the person has not moved and the Department agrees to reimburse the expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility; or
- viii. An owner-occupant who voluntarily conveys his/her property after being informed in writing that if a mutually satisfactory agreement on terms of the conveyance cannot be reached, the Department will not acquire the property. In such cases, however, any resulting displacement of a tenant is subject to the regulations in this part; or
- ix. A person who is determined to be in unlawful occupancy prior to or after the initiation of negotiations, or a person who has been evicted for cause. However, advisory assistance may be provided to unlawful occupants at the option of the Department in order to facilitate the project.
- x. A person who retains the right of use and occupancy of the real property for life following its acquisition by the Agency; or
- xi. (x) An owner who retains the right of use and occupancy of the real property for a fixed term after its acquisition by the Department of Interior under Pub. L. 93-477 or Pub. L. 93-303, except that such owner remains a displaced person for purposes of subpart D of this part; or
- xii. Tenants required to move as a result of the sale of their dwelling to a person using downing payment assistance provided under the American Dream Down Payment Initiative.,

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- xiii. A person who is not lawfully present in the United States and who has been determined to be ineligible for relocation benefits.
- 7. **DWELLING** the place of permanent or customary and usual residence of a person according to local custom or law. It includes a single family house, a one-family unit in a multi-family building; a unit of a condominium or cooperative housing project, or any other residential unit, including mobile home.
- 8. **DWELLING SITE** The term dwelling site means a land area that is typical in size for similar dwellings located in the same neighborhood or rural area.
- 9. **FAMILY** See [HOUSEHOLD](#)
- 10. **FARM OPERATION** Any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale or home use and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.
- 11. **FINANCE CHARGE or DEBT SERVICE CHARGE** (For the purpose of Relocation Assistance these terms are used interchangeably.) The cost of consumer credit as a dollar amount. It includes any charge payable directly or indirectly by the consumer to the creditor as a condition of the extension of credit. Generally, charges imposed uniformly in cash and credit transactions are not finance charges.
- 12. **FINANCIAL MEANS TEST** Thirty (30) percent of the displacee's average monthly gross household income if that amount is classified as "low income" by the U.D. Department of Housing and Urban Development.
<http://www.huduser.org/datasets/ura/ura05/RelocAct.html>
- 13. **HABITABLE FLOOR SPACE** That space used for sleeping, living, or cooking purposes excluding such spaces as closets, pantries, bath or toilet rooms, service rooms,

connecting corridors, laundries and unfinished attics, foyers, storage spaces, cellars, utility rooms and similar spaces. Minimum standards are at least 150 square feet for the first person and 100 square feet for each additional person in a standard living unit; or 70 square feet per person in a mobile home. For a sleeping room, the minimum standards are 100 square feet of habitable floor space for the first occupant and 50 square feet of habitable floor space for each additional occupant.

14. **HOUSEHOLD** Two or more individuals living together in a single family dwelling unit who:

- a. Are related by blood, adoption, marriage, or legal guardianship who live together as a family unit, plus all other individuals regardless of blood or legal ties who live with and are considered a part of the family unit; or
- b. Are not related by blood or legal ties but live together by mutual consent.

15. **HOUSEHOLD INCOME** The term household income means total gross income received for a 12 month period from all sources (earned and unearned) including, but not limited to wages, salary, child support, alimony, unemployment benefits, workers compensation, social security, or the net income from a business. It does not include income received or earned by dependent children and full time students under 18 years of age.

16. **INITIATION OF NEGOTIATIONS**

- a. **ON A PARCEL** - The date of delivery of the Department's Just Compensation Offer to the parcel's owner or the owner's representative. However, if the Department issues a **Notice of Intent to Acquire** the real property and the occupant moves after that notice but before the delivery of the initial written purchase offer, the initiation of negotiations means the date of the actual move of the occupant from the property.

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- b. **ON A PROJECT** - The date of delivery of the first Just Compensation Offer Letter to any owner on the project, excluding offers for hardship acquisition.
- 17. **MADE AVAILABLE** This term means that either the Department has advised the displacee about DSS housing within his financial means which is available for sale or rent, or the displacee has independently obtained and has the right of possession of replacement housing.
- 18. **MOBILE HOME.** The term mobile home includes manufactured homes and recreational vehicles used as residences.
- 19. **MORTGAGE** Such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property, under the laws of the State in which the real property is located, together with the credit instruments, if any, secured thereby.
- 20. **NONPROFIT ORGANIZATION** Any organization that is incorporated under the applicable laws of the State as a nonprofit organization and is exempt from paying Federal Income Taxes under Section 501 of the Internal Revenue Code (26 U.S.C. 501).
- 21. **NOTICE OF INTENT TO ACQUIRE** Written notice furnished that establishes eligibility for relocation benefits prior to the initiation of negotiations.
- 22. **OWNER OF A DWELLING** A person who purchases or holds any of the following interests in the property:
 - c. Fee title, a life estate, a land contract, a 99-year lease, or a lease including any options for extension with at least 50 years to run from the date of acquisition; or
 - d. An interest in a cooperative housing project which includes the right to occupy a dwelling; or

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- e. A contract to purchase any of the interests or estates described in a. and b. above; or
 - f. Any other interest, including a partial interest, which the judgment of the Department warrants consideration as ownership.
23. **PERSON** An individual or family as well as a partnership, company, corporation or association.
24. **PREVAILING ANNUAL INTEREST RATE** The most common annual interest rate charged by lending institutions in the area, assuming there are no discount points paid on the transaction.
25. **SALVAGE VALUE** the probable sale price of an item offered for sale to knowledgeable buyers with the requirement that it be removed from the property at a buyer's expense (i.e., not eligible for relocation assistance). This includes items for re-use as well as items with components that can be re-used or recycled when there is no reasonable prospect for sale except on this basis.
26. **SHORT TERM OCCUPANT** An owner/occupant or tenant who has occupied the dwelling from which he/she is being displaced for less than 90 consecutive days immediately prior to the initiation of negotiations.
27. **SMALL BUSINESS** A business, including farms and non-profit organizations, having no more than 500 employees working at the site being acquired or displaced by a program or project. This includes self-service businesses (such as car washes) with no employees full-time at the site, and includes businesses whose sole purpose at the displacement site is the rental of the site to others. It does not include signboards.
28. **SUBSEQUENT OCCUPANT (DISPLACED)** A person who occupies a parcel after the initiation of negotiations but before the parcel is acquired. Such person qualifies as a displaced person, and as such is eligible for advisory services,

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moving costs and possibly replacement housing assistance (if replacement housing is not available within the person's [financial means](#)).

- 29. **SUBSEQUENT OCCUPANT (NOT DISPLACED)** A person who occupies a parcel subsequent to its acquisition by the Department. Such person is considered not displaced, and is eligible only for advisory services and moving costs.
- 30. **TENANT** A person who has the temporary use and occupancy of real property owned by another.
- 31. **UNLAWFUL OCCUPANCY** A person who occupies without property right, title or payment of rent or a person legally evicted, with no legal rights to occupy a property under state law. The Department, at its discretion, may consider such person to be in lawful occupancy.
- 32. **UTILITY COSTS** Expenses for electricity, gas, other heating and cooking fuels, water and sewer.
- 33. **90-DAY OWNER** An initial occupant who has owned and occupied the dwelling from which he/she is being displaced for less than 180 days, but not less than 90 consecutive days immediately prior to the initiation of negotiations.
- 34. **90-DAY TENANT** A tenant who has occupied the dwelling from which he/she is displaced for at least 90 consecutive days prior to the initiation of negotiations.
- 35. **180-DAY OWNER** An initial occupant who has owned and occupied the dwelling from which he/she is being displaced for at least 180 consecutive days immediately prior to the initiation of negotiations.

6.4 RECORDS AND REPORTS

The Real Estate District Manager is responsible for maintaining relocation assistance records on each parcel with displacees to properly document the relocation services and payments. The Real Estate Relocation Assistance Officer is responsible for maintaining and updating the necessary computerized relocation assistance data on a project and parcel basis indicating the payments to each displacee. This computerized data will be used to compile all reports required by the FHWA in a timely manner.

The Real Estate Relocation Assistance Officer is responsible for periodic audits of statewide relocation assistance records to insure compliance with applicable laws, policies, procedures and regulations. A discussion of the operations of the Real Estate Relocation Assistance Officer and his/her staff is found in [6.1](#) of this manual.

PROCEDURES:

1. The necessary information that must be maintained on the District level is contained primarily on the various inventory, inspection, and claim forms. All entries must be made on all applicable forms in a timely manner to insure completeness of the file.
2. The Real Estate District Manager is responsible for the setup of relocation information in the Real Estate Relocation database as soon as sufficient displacee information for a given project has been developed, as well as providing for the applicable information being entered on the screen as relocation assistance for each displacee progresses.
3. The Real Estate Relocation Assistance Officer or his/her assistant is responsible for maintaining accurate records of all payments made to displacees on the computerized VM residential and business data entry screens.

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4. Relocation assistance records will be available at reasonable hours for inspection by the responsible representatives of the Federal Highway Administration or other authorized persons; these records shall be retained for at least three (3) years after the displaced receives the final payment.
5. Upon completion of payments and/or appeals on a given parcel, the Real Estate District Manager will provide for a review of the complete file to insure that all proper entries have been made, all outstanding items have been settled, and that all certifications have been signed and dated.
6. From the relocation information maintained on the computer, the Real Estate Administrator will provide for the preparation and submittal of a report to the FHWA within 30 days from the end of the Federal fiscal year every three (3) years, beginning with the year 1990. This report will be statistically presented using the FHWA Form.
7. Other reports requested by the Federal Highway Administration will be prepared and submitted on an "as needed" basis.
8. District relocation files are the official files. Following the completion of all relocation on a project, the District Officer shall inform the Relocation Assistance Officer that the files are complete. The Headquarter Relocation Unit, in conjunction with the Quality Review team, will visit the District Office to review the files for completeness and correctness. The District will maintain the official relocation files in their offices for at least three years. After that time, they may be destroyed.
9. The Headquarters Relocation Unit relocation files shall be interfiled with the acquisition files and be microfilmed three years post certification.

6.5 RELOCATION SERVICES

As a part of the Relocation Assistance Program all persons displaced by a DOTD project are entitled to the following:

1. Relocation Assistance advisory services;
2. Easy access to the information and services available under the Relocation Assistance Program;
3. Adequate public awareness about the Relocation Assistance Program;
4. Written notices to insure displacees are fully informed of available benefits and services;
5. Right to appeal the Department's determinations concerning relocation assistance benefits and services; and
6. Preservation of their Civil Rights.

PROCEDURES:

1. Relocation assistance advisory services will be provided to assist persons affected by projects in relocating to comparable decent, safe, and sanitary housing. Every reasonable effort will be made to provide these services by personal contact with the following persons:
 - a. Any **displaced person**.
 - b. Any person occupying property immediately adjacent to the real property acquired for a DOTD project when the Department determines that such person is caused substantial economic injury or **is adversely impacted** because of the acquisition.
 - c. Any person who, because of the acquisition of real property used for his business or farm operation, moves

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from other real property used for a dwelling, or moves his personal property from such other real property.

2. All persons entitled to relocation assistance advisory services will receive uniform and consistent services and payments regardless of race, color, religion, sex, or national origin. The amount and extent of the advisory services administered will be on a reasonable basis commensurate with the person's needs.
3. Relocation assistance advisory services will be administered as provided for in other parts of this Section and as necessary to accomplish the following:
 - a. Determine, for nonresidential (businesses, farm and nonprofit organizations) displacements, the relocation needs and preferences of each business (farm and nonprofit organization) to be displaced and explain the relocation payments and other assistance for which the business may be eligible, the related eligibility requirements, and the procedures for obtaining such assistance. This shall include a personal interview with each business. At a minimum, interviews with displaced business owners and operators should include the following items:
 1. The business's replacement site requirements, current lease terms and other contractual obligations and the financial capacity of the business to accomplish the move.
 2. Determination of the need for outside specialists that will be required to assist in planning the move, assistance in the actual move, and in the reinstallation of machinery and/or other personal property.
 3. For businesses, an identification and resolution of personalty/realty issues. Every effort must be made to identify and resolve realty/personalty issues prior to, or at the time of, the appraisal of the property.
 4. An estimate of the time required for the business to vacate the site.

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5. An estimate of the anticipated difficulty in locating a replacement property.
 6. An identification of any advance relocation payments required for the move, and the Agency's legal capacity to provide them.
- b. Determine, for residential displacements, the relocation needs and preferences of each person to be displaced and explain the relocation payments and other assistance for which the person may be eligible, the related eligibility requirements, and the procedures for obtaining such assistance. This shall include a personal interview with each residential displaced person.
1. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable replacement dwellings, and explain that the person cannot be required to move unless at least one comparable replacement dwelling is made available.
 2. As soon as feasible, the Agency shall inform the person in writing of the specific comparable replacement dwelling and the price or rent used for establishing the upper limit of the replacement housing payment and the basis for the determination, so that the person is aware of the maximum replacement housing payment for which he or she may qualify.
 3. Where feasible, housing shall be inspected prior to being made available to assure that it meets applicable standards. If such an inspection is not made, the Agency shall notify the person to be displaced that a replacement housing payment may not be made unless the replacement dwelling is subsequently inspected and determined to be decent, safe, and sanitary.
 4. Whenever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe, and sanitary replacement dwellings, not located in an area of minority concentration, that are within their financial means. This policy, however, does not require an Agency to provide a person a larger

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payment than is necessary to enable a person to relocate to a comparable replacement dwelling. The Agency shall offer all persons transportation to inspect housing to which they are referred.

5. Any displaced person that may be eligible for government housing assistance at the replacement dwelling shall be advised of any requirements of such government housing assistance program that would limit the size of the replacement dwelling as well as of the long term nature of such rent subsidy, and the limited (42 month) duration of the relocation rental assistance payment.
- c. Provide, for nonresidential moves, current and continuing information on the availability, purchase prices, and rental costs of suitable commercial and farm properties and locations. Assist any person displaced from a business or farm operation to obtain and become established in a suitable replacement location.
- d. Minimize hardships to persons in adjusting to relocation by providing counseling, advice as to other sources of assistance that may be available, and such other help as may be appropriate.
- e. Supply persons to be displaced with appropriate information concerning Federal and State housing programs, disaster loan and other programs administered by the Small Business Administration, and other Federal and State programs offering assistance to displaced persons, and technical help to persons applying for such assistance.
- f. *Coordination of relocation activities.* Relocation activities shall be coordinated with project work and other displacement-causing activities to ensure that, to the extent feasible, persons displaced receive consistent treatment and the duplication of functions is minimized.
- g. Any person who occupies property acquired by an Agency, when such occupancy began subsequent to the acquisition of the property, and the occupancy is permitted by a short term rental agreement or an agreement subject to termination when the property is

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needed for a program or project, shall be eligible for advisory services, as determined by the Agency.

4. The [Right-of-Way Stage Relocation Plan](#) will indicate whether reestablishment of a project site office is recommended, giving reasons for the recommendation. This recommendation will be reviewed by the Real Estate Relocation Assistance Officer, who will inform the Real Estate Administrator of his/her concurrence or disagreement with the recommendation. The Real Estate Administrator will make the ultimate decision. The decision must insure that all displacees have easy access to the following information:
 - a. Current continuously updated lists of available DSS comparable replacement dwellings, suitable for displaced persons on the project.
 - b. Current continuously updated lists of comparable commercial properties and locations for displaced businesses.
 - c. Current local data on costs such as security deposits, closing costs, typical down payments, interest rates and terms.
 - d. Information concerning the schools, parks, playgrounds, shopping, and public transportation in the area.
 - e. Copies of the Department's brochure *Acquisition of Right of Way and Relocation Assistance*, local housing ordinances, consumer education literature, classified sections of local newspapers, and apartment and multiple listing services where available.
 - f. Any other information that might be of value to displaced persons in the particular area.
5. Displacees' access to the above information will be effected in the following ways:

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- a. Where circumstances dictate the maintenance of a relocation assistance project site office, the location of such office shall be in close proximity to the project or on easily accessible public transportation routes.
 - b. Relocation assistance project site office hours will be scheduled so as to be convenient for all displacees, including evening office hours if circumstances warrant.
 - c. As much of the above information as possible will be given by the Real Estate District Agent during the relocation assistance interviews and presentation of benefits, services, and payments.
6. The Real Estate District Manager is responsible for providing the necessary relocation assistance information as required for public hearings, and for presenting the appropriate [Public Hearing Information Script](#) at public hearings to assure adequate public information of the Relocation Assistance Program. The procedures to be followed are more fully discussed in [6.7](#).
7. The Real Estate Relocation Assistance Officer will provide for the preparation and necessary updating of the brochure *Acquisition of Right of Way and Relocation Assistance*, which will fully explain the Relocation Assistance Program including eligibility requirements, benefits, payments, rights of displacees, and the Department's replacement housing policy. This brochure will be made available to all displacees.
8. Each displaced person will be given written notices to insure that he/she is fully informed of the benefits and services available to him. The procedures for and types of written notices are found in Section [6.9](#). To the greatest extent practicable these notices shall be delivered within 10 days of the beginning of negotiations.
9. All displacees are assured of the right of appeal in the event of dissatisfaction with a determination as to eligibility for relocation

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assistance or an amount of payment offered. This right of appeal is more fully discussed in [6.6](#).

10. When an occupant of Department-owned property becomes delinquent under the Department's rental policy, such delinquent rental amount shall be subject to being withheld from any relocation assistance payment due the occupant. Delinquent occupants should be advised by the Real Estate District Manager of the possibility of delinquent rentals being deducted from relocation assistance payments, unless such a deduction would prevent the displaced person from obtaining comparable replacement dwelling.
11. Evictions shall be handled in accordance with Section 5.6 of the Real Estate Manual.

6.6 APPEALS PROCESS

All displaced persons disagreeing with the Department's determination regarding their eligibility and/or benefits under the Relocation Assistance Program have the right of appeal, as described in the brochure *Acquisition of Right of Way and Relocation Assistance*.

PROCEDURES:

1. Before the formal appeal process is instituted, an attempt should be made to resolve the conflict informally. If the Agent handling the relocation is unable to provide resolution of the displaced person's concerns, the Agent shall present the facts of the case to the Relocation Assistance Officer for review. The Agent will provide the Relocation Assistance Officer with all of the pertinent facts concerning the area of disagreement, as well as any written statement of dissatisfaction submitted by the displacee. If the Relocation Assistance Officer finds that the displacee has a valid complaint, he/she may reverse the earlier decision. If, however, he/she finds that the original decision was correct, the displacee shall be advised to enter the formal appeal process.
2. An appeal may be filed for any of the several determinations made by the Department concerning relocation assistance. The claimant must make the appeal in writing, preferably on the **Appeal Claim Form**, attaching any supporting documentation. The Department shall consider any written appeal, regardless of form. Appeals must be submitted within 60 days after the person receives written notification of the Department's determination regarding the person's application or claim for relocation services or benefits.
3. After receiving an appeal from a claimant, the Real Estate District Manager will forward the appeal to the Real Estate Relocation Assistance Officer. The Relocation Assistance Officer will prepare a letter to the claimant acknowledging the appeal. This letter will also advise the claimant that he/she may

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request a personal meeting with the Real Estate Administrative Officer and the Real Estate Administrator.

4. The claimant has the right to be represented by legal counsel or other representative in connection with his appeal, but solely at the claimant's own expense. The claimant shall also have the right to inspect and copy all materials pertinent to his appeal, except those materials that are classified as confidential. However, the Relocation Assistance Officer must be consulted before any records are disclosed to the claimant. The claimant may supplement the appeal with any material he/she feels is pertinent to his claim.
5. The Real Estate Relocation Assistance Officer will forward the appeal file, including any supplemental information submitted by the claimant, to the Real Estate Administrative Officer for review.
6. In reviewing an appeal, the Real Estate Administrative Officer shall consider all pertinent records, as well as any other materials submitted by the claimant, to ensure a fair and full review of the appeal.
7. If the Real Estate Administrative Officer approves the total appeal as submitted by the claimant, the reasons for approval must be filed with the appeal claim, and copies sent to the Real Estate Relocation Assistance Officer and the Real Estate District Manager. The claimant shall be notified of the approval in writing, and the claim processed for payment.
8. If the appeal is wholly or partially disapproved by the Real Estate Administrative Officer, the appeal form, the factual findings and the written recommendations of the Real Estate Administrative Officer against approval will be forwarded to the Real Estate Administrator, who shall make the final decision regarding approval or disapproval of the claim.
9. If the Real Estate Administrator wholly or partially approves the appeal, he/she shall notify the claimant by letter and place the claim in line for payment. In the case of partial approval, the

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letter will advise the claimant of the right of judicial review of the unapproved portion of the claim. A copy of the letter will be placed in the appeal file, which is then returned to the Real Estate Relocation Assistance Officer. A copy of the letter will also be sent to the Real Estate District Manager.

10. If the Real Estate Administrator disapproves the appeal, he/she shall notify the claimant by letter, giving the reasons for the denial of the appeal and advising the claimant of the right of judicial review. A copy of the letter will be placed in the appeal file, which is then returned to the Real Estate Relocation Assistance Officer. A copy of the letter will also be sent to the Real Estate District Manager.
11. The appeals process from receipt of the appeal in Headquarters to final determination shall be handled as expeditiously as possible, preferably within three weeks. If a longer time is needed, the file shall be documented to explain the reasons for the delay.

6.7 CONCEPTUAL STAGE RELOCATION PLAN

A [Conceptual Stage Relocation Plan](#) must be prepared in accordance with Federal policy when required and requested by the Public Hearings and Environmental Impact Section. It is the responsibility of the Real Estate District Manager to provide for the preparation of the plan, which must receive the approval of the Real Estate Relocation Assistance Officer prior to submittal to the Public Hearings and Environmental Impact Section. The plan will identify the extent, scope and effects of relocations that may be caused by each alternate location or design under consideration for a proposed DOTD project. The plan will also identify the availability of replacement housing as well as possible solutions relative to relocation problems recognized as a result of the studies conducted during preparation of the plan. The information required for preparation of the Conceptual Stage Relocation Plan may be obtained by visual inspection of the area of the proposed project and from readily available secondary sources or community sources.

PROCEDURES:

1. Upon receipt of a request for a Conceptual Stage Relocation Plan from the Relocation Assistance Unit, the Real Estate District Manager will assign the preparation of the plan to one or more Real Estate District Agents.
2. The Agent assigned the preparation of the plan will complete a [Relocation Inventory](#) for each alternate location or design being considered for the project and one [Replacement Property Inventory](#) covering all alternates.
3. The relocation inventory form will be prepared on the basis of external inspection of the principal buildings and from other secondary sources. Occupants are not to be disturbed, but the buildings should be identified as accurately as possible. The number of families may be estimated from the apparent usage of residences and the number of individuals may be established by applying the average number of persons per family as determined in the latest U.S. Census. The remaining

information required on this inventory is to be in the form of estimates.

4. The replacement property inventory form will be prepared on the basis of a study of the general area in which the proposed project is to be located. The study should include visual observations, listings from local realtors, advertisements in local and area newspapers, and meetings with building contractors and housing agencies. All available decent, safe and sanitary housing in the vicinity of the proposed project should be listed if such housing is considered suitable as replacements. Housing that will become available through proposed construction or normal market turnover during the scheduled acquisition of right of way should also be listed.
5. The information obtained will then be analyzed and compiled in the Conceptual Stage Relocation Plan, covering all items contained in subparagraph 6 below.
6. The Conceptual Stage Relocation Plan must include the following information:
 - a. Estimate of households to be displaced, including the family characteristics (e.g. minorities, income levels, tenure, the elderly, large families).
 - b. Divisive, or disruptive effect on the community, such as separation of residences from community facilities or separation of neighborhoods.
 - c. Impact on the neighborhood and housing where relocation is likely to take place.
 - d. An estimate of the businesses to be displaced and any expected adverse economic impact on the displaced businesses, as well as the general effect of business dislocation on the economy of the community.

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- e. A description of relocation housing in the area and the ability to provide relocation housing for the types of families to be displaced.
 - f. An estimate of the availability of replacement business sites. When an adequate supply of replacement business sites is not expected to be available, the impacts of displacing the businesses should be considered and addressed. Planning for displaced businesses which are reasonably expected to involve complex or lengthy moving processes or small businesses with limited financial resources and/or few alternative relocation sites should include an analysis of business moving problems.
 - g. A description of special relocation advisory services that will be necessary for identified unusual conditions.
 - h. A description of the actions proposed to remedy insufficient relocation housing, including, if necessary, housing of last resort.
 - i. Results of consultation with local officials, social agencies, and community groups regarding the impacts on the community affected.
 - j. An estimate of any facilities that may qualify for functional replacement.
7. After presenting the required information for each alternate and possible solutions relative to identified relocation problems, the Agent must include for each alternate an estimate of cost for moving and replacement housing payments as well as an estimate of the amount of time which will be required to complete relocation assistance activities.
8. Assistance from the Real Estate Relocation Assistance Officer may be requested at any time during preparation of the Conceptual Stage Relocation Plan.

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9. Upon completion of the plan the Real Estate District Manager will transmit it to the Relocation Assistance Unit for further handling.
10. The Real Estate District Manager is responsible for presenting the appropriate [Public Hearing Information script](#) at public hearings to assure adequate knowledge by the public of the Relocation Assistance Program.

6.8 RIGHT OF WAY STAGE RELOCATION PLAN

The Real Estate District Manager is responsible for the preparation and maintenance of inventories of all displacees and available replacement structures for any DOTD project that will cause displacements. He/she is also responsible for the preparation of a [Right of Way Stage Relocation Plan](#) if the project will cause the displacement of families or individuals. The preparation of a Preliminary ROW Relocation Plan should begin as soon as sufficient right of way plans are available for the project. When 60% Preliminary Right of Way Maps are received, the displacees on the project shall be interviewed and the Final Right of Way Relocation Plan will be prepared. The maintenance of the inventories should continue until such time as relocation assistance activities are completed.

PROCEDURES:

1. As soon as the District receives sufficient right of way plans, the Real Estate District Manager will assign the project relocation assistance activities to one or more Real Estate District Agents.
2. The District Agent(s) assigned the relocation assistance activities will conduct a survey of the project to determine the number of individuals, families, businesses and nonprofit organizations that will be displaced. A Preliminary ROW Relocation plan will be prepared containing all the elements outlined in subsection [9](#) except Occupant Inventories and Inspection Reports. The summary of displacements will instead be estimated based on a visual inspection of the project. This Preliminary ROW Stage Relocation Plan is due in Headquarters within one month of the receipt of final Right of Way Plans in the District. NOTE: If appraisals have been ordered at the time the right of way maps are received in the District, preparation of a Preliminary ROW Stage Relocation plan is waived.)
3. When appraisals have been ordered or a request for a Final Right of Way Stage Relocation Plan is received on the project, each displaced person or business will be interviewed, as is feasible and practicable.

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4. During the interviews the Agent will complete Occupant Inventory Forms and Inspection Report Forms for each occupied structure.
5. The information described in subparagraphs 2 and 3 above will provide the District Agent(s) with a picture of the facilities from which each person is being displaced and a means by which to evaluate their needs and determine any problems associated with their displacement.
6. The Agent will conduct a survey of the area of the project to and comparable, decent, safe, and sanitary replacement housing for the displaced individuals and families as well as suitable replacement non-residential structures. He/she will then inventory these available replacements using the replacement property inventory form, multiple listing services, newspaper clippings, and any other means considered necessary. The result will be a description of the available facilities in the area (including price ranges and rental rates), which can then be compared with the survey of displacees to assist in identifying relocation assistance problems affecting the scheduling of the project.
7. Inventories of available replacements must be maintained until all persons have been moved from residences within the limits of the project, or until all residential displacees have been afforded the opportunity and the necessary time to occupy decent, safe, and sanitary dwellings within their financial means, and/or until all non-residential displacees have been afforded the opportunity and necessary time to vacate the property acquired.
8. Using the above information, the Agent will prepare the [Final ROW Stage Relocation Plan](#) which will set forth: a summary or inventory of the characteristics and needs of the displaced individuals and families; a summary or inventory of available, comparable, decent, safe, and sanitary housing; and an analysis and correlation of the two summaries.

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9. The Final ROW Stage Relocation Plan should be completed within a month of receipt of preliminary (60%) maps and shall be reported by the following outline:
 - a. Summary of displacements - Summarize the characteristics and needs of the individuals and families to be displaced and correlate with available comparable, decent, safe, and sanitary housing. (Summarize only those displacees anticipated to require last resort housing provisions.)
 - b. The major relocation problems disclosed by the relocation survey - Outline all major relocation problems that are indicated in comparing the types of improvements to be taken and the types of displacements with the listings of available replacement housing.
 - c. Federal, State and Municipal programs currently in operation that affect the availability of housing. Determine whether or not any major housing construction project (private, Federal, State or Municipal) is planned for the area. If so, provide pertinent facts concerning the proposed housing projects.
 - d. Detailed information about displacements being caused by other governmental agencies or private concerns in the subject area. Investigate and determine whether or not any other agency, public or private, is involved in a project that will also require the taking of improved properties in the general area of the planned highway improvement. If so, list the agency and project and discuss the additional relocation problems, if any, that will be created.
 - e. Analysis of the various relocation problems and the method of operations to resolve the problems and relocate the displacees. Analyze any relocation problems in [b.](#) and [d.](#) above. Give method of resolving the problems including, if necessary, utilization of housing of [last resort](#).

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- f. Estimate of the lead-time required to carry out a timely and orderly relocation program.
- g. Recommend the necessity of a site office.
- h. Prepare a list of displacees and their corresponding parcel numbers and occupancy types. THIS LIST WILL BE USED TO SET UP HEADQUARTERS COMPUTER SCREEN SO PARCEL NUMBERS MUST BE CORRECT AND COMPLETE. All relocation vouchers subsequently submitted must correspond to the parcel numbers on this list. Headquarters shall be advised immediately of any changes in parcel numbers that develop subsequent to submission of this list.
- i. Summarize the total number of displacees and estimated relocation costs by the following categories:
 - 1. Residential owners and tenants;
 - 2. Residential replacement housing costs;
 - 3. Residential moving costs;
 - 4. Business and farm owners and tenants;
 - 5. Business and farm moving costs; and
 - 6. Relocation services costs (20% of sum of 2+3+5)
- j. The Agent will prepare an Occupant Inventory for each displacee utilizing the appropriate form. If the move involves personalty only, the owner must still be interviewed and an inventory form completed describing the nature of the personalty. A copy of the Occupant Inventory on each displacee will be sent to Headquarters with the Final Right of Way Stage Relocation Plan.

6.9 WRITTEN NOTICES

1. INITIATION OF NEGOTIATIONS ON THE PROJECT

Delivery of the first **Just Compensation Offer** Letter to any owner on a project (excluding offers for hardship acquisition) constitutes the initiation of negotiations for that project. The Real Estate District Manager is responsible for notifying the Real Estate Relocation Assistance Officer of the date of initiation of negotiations for any DOTD project that will cause displacements. To the greatest extent practicable, each potential displacee on the project shall be notified of his/her possible displacement within 10 days of this date. This **Informational Notice** shall be delivered by personal contact, certified letter or registered letter. A copy of the Informational Notice shall be placed in the displacee's District relocation assistance file and a copy sent to the HQ Relocation Unit.

PROCEDURES:

- a. Upon the first negotiating contact (excluding contacts for hardship acquisition) on any project which will cause displacements, whether the first contact is for an improved or unimproved parcel, the Real Estate District Manager shall prepare and transmit a letter to the Relocation Assistance Officer stating the date of initiation of negotiations on the project, with a copy to the Real Estate Titles and Acquisition Manager.
- b. To the greatest extent practicable, Informational Notices will be delivered to each potential displacee either personally or by mail within 10 days of the project initiation of negotiations. Any request for a waiver of this requirement must be approved by the Relocation Assistance Officer prior to initiation of negotiations. Informational Notices are not required on parcels that may be adversely impacted.

2. INITIATION OF NEGOTIATIONS ON THE PARCEL

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To insure that each displaced person is fully informed of the benefits, payments and services available to him/her, the Department shall, to the greatest extent practicable, deliver an [Purchase Supplement Offer Letter](#) to each owner-occupant whose dwelling is within the required area at the same time the acquisition offer is presented, and to each tenant within 10 days of the acquisition offer to the owner.

PROCEDURES:

- a. To the greatest extent practicable, no displacee shall be required to move earlier than 30 days after the date of acquisition or expropriation of the parcel, nor earlier than the 90-day vacate date given in the eligibility letter ([Purchase Supplement Offer](#), [Rent Supplement Offer](#), or [Non-Residential Eligibility Letter](#)).
- b. Upon payment of the acquisition price to the owner of a parcel (or the service of process if the parcel is expropriated), the Agent will determine if it is necessary to send the occupant a supplemental vacate notice, called an [Extension Letter](#). An Extension Letter is necessary if the 90-day vacate date will expire before 30 days from the date of payment of acquisition price or service of process. If it is necessary to send an Extension Letter, the new vacate date shall be 30 days from the date of acquisition or the date of service of process.
- c. The Agent will prepare the appropriate eligibility letter to each residential and nonresidential displacee on the project:

1. Notices to Residential Displacees

The eligibility letter to a residential displacee will be prepared after the Agent has performed the calculations to determine the maximum replacement housing payment to which the displacee is entitled in accordance with [6.12](#). In addition to the replacement housing offer, it will describe other

relocation assistance benefits and services to which the displacee may be entitled. It will give the address of the comparable and offer to provide transportation to inspect it. The letter will also give the 90-day vacate date.

a. Notices to 180-Day Owner-Occupants

- i. The eligibility letter to a displaced 180-Day Owner-Occupant is a **Purchase Supplement Letter**. This letter will state the maximum purchase supplement to which the displacee may be eligible. It shall be personally delivered and explained to each displacee whose residential improvement is in the taking at the same time the acquisition offer is presented.
- ii. If no available comparable replacement housing is available on which to compute the RHP offer, the District Manager shall advise the Relocation Assistance Officer. The Relocation Assistance Officer shall discuss the situation with the Director of Real Estate, who will decide if the acquisition offer will be presented to the owner in advance of the replacement housing offer. If the determination is made to do so, the District Manager shall be so advised in writing and the displacee shall be issued a **Wait Letter** at the time the acquisition offer is presented. The Wait Letter advises the displacee that the purchase supplement offer shall be presented as soon as possible.
- iii. Offer to 180-Day Owner-Occupants of adversely impacted improvements: If the

residential improvement is adversely impacted rather than within the taking, computation of the replacement housing offer and presentation of the Purchase Supplement Letter may be delayed until the owner decides if he/she wishes to consider the relocation option.

- iv. If the owner-occupant wishes to rent rather than purchase a replacement dwelling, his/her alternate entitlement will be computed in accordance with Section 6.2.b. This rent supplement offer will be made in writing either as a separate paragraph on the purchase supplement letter, or on a rent supplement offer letter. Issuing a rent supplement letter does not preclude the requirement of presenting a purchase supplement offer.

b. Notices to 90-Day Occupants

- i. The maximum rental supplement offer to a 90-Day Occupant will be made in a Rent Supplement Letter. The offer to 90-Day Owner-Occupants will be personally presented at the same time as the acquisition offer, and the offer to 90-Day Tenants will be personally presented within 10 days of the initiation of negotiations.
- ii. In the event the Agent has been unable to find an available comparable on which to base the replacement housing computation, he/she will instead send the displacee a **Wait Letter**, which advises the displacee that the entitlement offer will be made as soon

as possible. If after sending the Wait Letter the Agent is still unable to locate a comparable, and the real estate market in the area historically reveals a lack of comparable housing becoming available at regular intervals, Last Resort housing procedures in compliance with 6.19 and 6.20 will be considered by the Agent.

c. Notices to Occupants of Less Than 90 Days

- i. Within 10 days of initiation of negotiations on a parcel, an occupant of less than 90 days who is eligible for a rental supplement because of financial means will receive a rent supplement letter stating the maximum rental supplement to which he/she is entitled.
- ii. In the event the Agent has been unable to find an available comparable on which to assess the displacee's possible entitlement, he/she will instead send the Wait Letter which advises the displacee if the Department determines that he/she is eligible for a rent supplement, the entitlement offer will be made as soon as possible.

2. Notices to Non-Residential Displacees:

- a. Within 10 days of the initiation of negotiations on a parcel, a displaced business, farm or non-profit organization will receive a Non-Residential Eligibility Letter stating that the property it occupies is in the process of being acquired and that the maximum amount of the moving cost to which it is entitled will be

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computed and furnished as soon as possible. It will also give the 90-day vacate date.

- b. As soon as the Agent receives the displacee's inventory, a moving cost offer will be computed and the offer presented in an Establishment of Estimated Cost of Move Letter.

3. Notice of Intent to Acquire:

A notice of intent to acquire is a displacing Agency's written communication that is provided to a person to be displaced, including those to be displaced by rehabilitation or demolition activities from property acquired prior to the commitment of Federal financial assistance to the activity, which clearly sets forth that the Agency intends to acquire the property. A notice of intent to acquire establishes eligibility for relocation assistance prior to the initiation of negotiations and/or prior to the commitment of Federal financial assistance.

To establish such eligibility, the Real Estate District Manager will make a written request to the Real Estate Administrator stating the extenuating circumstances in the case. The decision to utilize the procedures described herein rests with the Real Estate Administrator, and will not be made unless the initiation of negotiations for the parcel is imminent. Notices of Intent to Acquire shall not be issued prior to the FHWA authorizing negotiations on the project or authorizing acquisition of individual parcels for protective buying or because of hardship.

- a. In the event the decision is made to issue such notice(s), the following procedures shall apply:

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- i. If a [Notice of Intent to Acquire](#) is furnished an owner, it must also be furnished to any tenant on the parcel within 10 days.
 - ii. If a Notice of Intent to Acquire is furnished a tenant, the owner of the parcel must be simultaneously notified of such action.
- b. When a displacee is relocated under a Notice of Intent to Acquire, relocation payments may be made at the time of the move.

GUIDELINES FOR ISSUING LETTERS AND NOTICES TO DISPLACEES

Informational Notices

Mailed or delivered within 10 days of the initiation of negotiations on the project.

Notice of Intent to Acquire

Issued by Real Estate Administrator to establish eligibility for relocation benefits to certain occupants prior to the initiation of negotiations and/or commitment of federal funds. Cannot be issued unless the FHWA has authorized negotiations on the project. If furnished a parcel owner, it must also be furnished to any tenant on the parcel within 10 days. If furnished to a tenant of a parcel, it must be simultaneously furnished to the owner.

Purchase Supplement Letter

Eligibility offer letter to 180-Day Owner-Occupants. Gives purchase supplement offer and 90-Day Vacate Date. Also gives latest date by which Department must acquire property for 90-Day Date to be valid, which is 30 days prior to 90-Day Date. If acquisition occurs after that date, the displacee will be issued an [Extension Letter](#) (see below) that changes the Vacate Date to 30 days from the date of acquisition. Personally delivered and explained at the same time the acquisition offer is presented.

Rent Supplement Letter

Eligibility offer letter to 90-Day Occupants, as well as [Short Term Occupants](#) and [Subsequent Occupants](#) who meet financial need criteria. Alternate eligibility letter for 180-Day Owner-Occupants who choose to rent replacement housing. Gives rental supplement offer and 90-Day Vacate Date. Also gives latest date by which Department must acquire property for 90-Day Date to be valid, which is 30 days prior to 90-Day Date. If acquisition occurs after that date, the displacee will be issued an [Extension Letter](#) (see below) which changes the Vacate Date to 30 days from the date of acquisition. Personally delivered and explained at the same time as the acquisition offer is made for an owner-occupant, or within 10 days of

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initiation of negotiations on the parcel for a tenant. If no comparables are available, a Wait Letter is issued until comparables can be located and the offer letter prepared.

Wait Letter

Delivered to residential displacees entitled to replacement housing offers when there are no comparables available on which to compute an offer within the prescribed period following initiation of negotiations on the parcel. The Wait Letter advises the displacee that the entitlement offer will be made as soon as possible.

Extension Letter

- 1. Issued to displacees who had previously been given a 90-Day Vacate Date that is fewer than 30 days after the date of payment of just compensation or service of process on the parcel. It specifies the new Vacate Date, which shall be 30 days from the date of payment of just compensation or service of process.*
- 2. At the discretion of the Department, issued to displacees who request additional time to complete their moves following their 90-Day Vacate Date, when such will not inhibit the letting of the project.*

Business Eligibility Letter

Letter to displaced businesses advising that a moving cost estimate will be developed and furnished at a later day, and stating the 90-Day Vacate Date. Also gives latest date by which Department must acquire property for 90-Day Date to be valid, which is 30 days prior to 90-Day Date. If acquisition occurs after that date, the displacee will be issued an Extension Letter (see below), which changes the Vacate Date to 30 days from the date of acquisition. Issued within 10 days of the initiation of negotiations on the parcel.

Establishment of Estimated Cost of Move

Letter to businesses and some residential displacees advising them of the amount of the moving cost offer. Issued as soon as the moving costs based on inventory and specifications are determined.

6.10 GENERAL PROVISIONS

To the greatest extent practicable, no person lawfully occupying real property acquired for the construction of a DOTD project shall be required to move from a dwelling, or to move his business or farm, without at least 90 days written notice of the intended vacation date. Individuals and families so displaced are eligible for replacement housing payments in the form of purchase, down payment, or rent supplements, as determined by length of occupancy and type of occupancy (owner or tenant), in accordance with the principles set forth in [6.2](#). The maximum replacement housing payment offer to which a displacee is entitled is computed based on the type of occupancy in effect at the beginning of negotiations, and is the amount determined as necessary to enable the displaced person to purchase or rent comparable decent, safe, and sanitary replacement housing. However, a displacee is not required to maintain the same type of occupancy when he/she relocates.

PROCEDURES:

1. Upon receipt of parcel packages from the Acquisitions Unit, the Real Estate District Manager will assign occupied parcels to one or more Real Estate District Agents properly trained in relocation assistance procedures. The Agent(s) assigned the occupied parcel(s) are responsible for the relocation assistance and services to which all persons occupying the parcel are entitled, as well as negotiations for the parcel.
2. The Agent will locate available residential structures and/or suitable non-residential sites comparable to the occupied improvements situated on the parcel(s) with relocation. He/she will complete a [housing inspection form](#) for each residential structure considered comparable.
3. The completed forms will become a part of the inventory of replacements for the project. This inventory will be continuously updated throughout the course of the project until relocation is complete, with listings added or deleted as necessary. As

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replacements are deleted from the inventory, the forms are to be dated and marked "NOT AVAILABLE".

4. The Agent will compute the replacement housing payment to which each displacee is entitled in accordance with the eligibility requirements set forth in [6.11](#) and the procedures for computations found in [6.12](#). The calculations will be based on the type of occupancy presently in effect. If the displacee requests an alternate computation based on a different occupancy, it will be done in addition to the standard computation. However, the Department is not obligated to furnish a maximum replacement housing offer based on an alternate calculation if such alternate is not available, or if the alternate calculation exceeds the limitations set forth in subparagraph [d](#) of [6.11](#).
5. After computing the replacement housing payment offer following the procedures set forth in [6.12](#), the Agent will prepare the appropriate maximum payment offer letter to each residential displacee on the parcel in accordance with [6.9](#). He/she will then contact the owner of the parcel. If the parcel is owner-occupied, the Agent will present the [Just Compensation Offer Letter](#) and the maximum replacement housing payment offer letter, as well as a copy of the brochure if not already provided. He/she will then discuss fully the relocation assistance benefits and requirements with the displacee.
6. At the first contact with a non-residential owner-occupant, the Agent will present the [Just Compensation Offer Letter](#), the [Act of Sale](#), and a copy of the brochure if it was not previously provided, and a Non-Residential Eligibility Letter. He/she will then discuss the relocation assistance services and moving expenses payments.
7. If possible, the Agent should contact any tenants on the same date the owner is contacted, to present the maximum replacement housing payment offer letter and the brochure if it was not previously provided. The Agent will discuss relocation assistance benefits and requirements with particular emphasis

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on the fact that eligibility is not complete until the Department acquires the property.

8. Rental supplement offers or Wait Letters to tenants must be delivered personally within ten (10) days of the initiation of negotiations for the parcel.
9. Additional contacts by the Agent with displacees shall be made whenever conditions warrant. During these contacts, the Agent will make any necessary revisions and corrections to the information previously obtained. he/she must also record each contact made with a displacee on the **Contact Log** of the Occupant Inventory Form.

6.11 REPLACEMENT HOUSING ELIGIBILITY REQUIREMENTS

A residential displacee is eligible for a replacement housing payment offer if he/she qualifies as a displaced person as defined in 6.3 #6. A short-term occupant, as defined in Section 6.3 #23, is eligible for a replacement housing payment if he/she cannot be relocated into a replacement dwelling within his/her financial means. The types of housing payments, based upon length and type of occupancy, are described below. For the displaced person to be eligible for a replacement housing payment, the property must have been acquired by the Department, or if the property has not yet been acquired, must have been issued a **Notice of Intent to Acquire**. In addition, the displacee must purchase or rent, and actually occupy decent, safe, and sanitary replacement housing within the time limitations set forth in subparagraph 3 below. The Department will inspect the replacement dwelling and certify that it meets decent, safe, and sanitary standards before eligibility for payment is complete. Such certification shall be made on the **Housing Inspection Form**. A displacee's eligibility for payment will be determined by what he/she actually spends for the replacement dwelling within the limitations set by the Department's replacement housing offer.

PROCEDURES:

1. A displaced residential occupant may be eligible for a replacement housing payment if he/she fulfills the following requirements:
 - a. He/she is in occupancy on the date of initiation of negotiations for the partial or total acquisition of the parcel, and has been for at least 90 consecutive days immediately prior to said date; or
 - b. He/she is in occupancy at the time he/she is issued a **Notice of Intent to Acquire**, and said occupancy has been for at least 90 consecutive days immediately prior to his Vacate Date; or

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- c. He/she has been in occupancy for less than 90 consecutive days prior to either of the dates established in a. and b. above, and he/she cannot relocate to comparable housing within his/her financial means.
- d. An eligible occupant is eligible for a maximum replacement housing payment offer according to his/her length and type of occupancy as follows:
 - 1. An owner-occupant of at least 180 days is eligible for a purchase supplement not to exceed \$22,500.00 which supplement will include the additional cost necessary to purchase replacement housing, to compensate the owner for the loss of favorable financing on his/her existing mortgage if he/she finances the replacement dwelling, and to reimburse the owner for incidental expenses as provided for in 6.14.
 - 2. An owner-occupant of at least 90 days but less than 180 days is eligible for a rental supplement not to exceed \$5,250, which supplement shall be the difference between the economic monthly rent plus utilities at the acquired dwelling and the monthly rent and estimated utilities at a comparable replacement dwelling times 42.
 - 3. A tenant of at least 90 days is eligible for a rental supplement not to exceed \$5,250, which supplement shall be the difference between the monthly rent plus utilities at the displacement dwelling and the rent plus estimated utilities at a comparable replacement dwelling times 42.
 - 4. Short Term Occupants & Displaced **Subsequent Occupants** are entitled to relocation assistance advisory services in assisting them to locate comparable replacement housing as defined in 6.3 #2. When such occupants cannot be relocated on a

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site within their financial means, then provisions of 6.20 subparagraph 10 shall be provided.

2. Alternate eligibility if requested by the occupant can be used in computing the maximum replacement housing payment offer as follows:
 - a. An owner-occupant of at least 180 days is alternately eligible for a rental supplement not to exceed \$5,250.
 - b. An owner-occupant of at least 90 days but less than 180 days is eligible for a down payment supplement not to exceed \$5,250, to enable him to make a down payment on the purchase of a replacement dwelling and to reimburse him for actual expenses incident to such purchase. However, such supplement shall not exceed the amount the 90-day owner-occupant would have received if he/she had met the 180-day occupancy requirement.
 - c. A tenant of at least 90 days is alternately eligible for a down payment supplement not to exceed \$5,250.
 - d. A **Short Term Occupant** or Displaced **Subsequent Occupant** eligible for a rent supplement because of financial means is alternately eligible for a down payment supplement not to exceed the amount of the rent supplement offer.
3. Within the above limitations, a displacee is eligible for payment of the appropriate supplement provided he/she actually purchases or rents and occupies a decent, safe and sanitary replacement dwelling within a one year period beginning:
 - a. For a 180-Day Owner-Occupant, the later of the following dates (except when the Department extends such one-year period for good cause):
 1. The date the person receives final payment for the displacement dwelling, or in the case of

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expropriation, the date the full amount of the estimate of just compensation is deposited in the court; or

2. The date the Department fulfills the requirements to make available comparable replacement housing to the displacee.
- b. For a 90-Day Owner-Occupant, the later of the following dates (except when the Department extends such one-year period for good cause):
 1. The date he/she receives final payment for the displacement dwelling, or in the case of expropriation, the date the full amount of the estimate of just compensation is deposited in the court, or
 2. The date he/she moves from the displacement dwelling.
- c. For a tenant of more than 90 days, the date he/she moves from the displacement dwelling, unless the Department extends this period for good cause.
- d. For a [Short Term Occupant](#) or Displaced [Subsequent Occupant](#), the date he/she moves from the displacement dwelling, unless the Department extends this period for good cause.

For purposes of the above eligibility requirement, the date of a contract entered into by a displacee for the construction or rehabilitation of a replacement dwelling shall be considered the date he/she relocates to and occupies the replacement.

4. For purposes of determining owner eligibility, a displacee is considered to have purchased a dwelling when he/she:
 - a. Buys an existing dwelling; or

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- b. Purchases and rehabilitates a substandard dwelling; or
 - c. Relocates a dwelling which he/she owns or purchases; or
 - d. Constructs a dwelling on a site he/she owns or purchases; or
 - e. Contracts for the purchase or construction of a dwelling on a site provided by a builder or on a site the person owns or purchases; or
 - f. Currently owns a previously purchased dwelling and site, the valuation of which shall be based on the current fair market value.
5. Occupancy of a replacement dwelling is accomplished only if the dwelling is the displacee's permanent place of residence.

6.12 COMPUTATIONS FOR REPLACEMENT HOUSING OFFER

Replacement housing payment offers in the form of purchase, rent or down payment supplements shall be offered to all eligible displaced persons. A purchase supplement is that amount, if any, which when added to the price paid by the Department for the acquired dwelling, equals the amount determined by the State as necessary to purchase a comparable decent, safe and sanitary dwelling. A rent supplement is that amount, if any, which when added to 42 times the present rent plus utilities, equals the amount determined by the State as necessary to rent a comparable decent, safe and sanitary dwelling for the next 3.5 years. A down payment supplement is that amount, not to exceed \$5,250, which is applied to the down payment and incidental expenses on a conventional loan on a decent, safe and sanitary replacement dwelling. The comparable dwelling used by the Department in computing the supplemental payment, besides being decent, safe and sanitary, must be available within the occupant's financial means, and should be available on the market at the time the RHP offer is made and during the time the displacee is actively looking for a replacement dwelling.

1. GENERAL

Upon being assigned a negotiating package for an eligible displacee, the Agent will compute the maximum replacement housing payment to which the displacee is entitled.

- a. The Agent will begin by examining the information on the **Occupant Inventory Form** to determine the needs of the displacee and his/her family. If the information on this form was obtained more than six months earlier, the Agent will update the form by making a personal or telephone contact with the displacee to insure that all relevant information (income, monthly rent, number of occupants, etc.) is accurate. The replacement housing needs of the displacee will be evaluated using the criteria for comparability described in 6.3, #2.

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- b. The Department will take reasonable measures to help minority displacees relocate to **DSS** replacement dwellings within their financial means that are not located in an area of minority concentration. However, this policy does not require the Department to provide a larger payment than is necessary to relocate the displacee to a comparable replacement dwelling.
- c. If available, three dwellings comparable to the subject will be selected. The Agent will fill out a **Housing Inspection Report** on each dwelling and make a sketch of the floor plan on the reverse side of the form. If the acquired dwelling has improvements such as a detached garage, swimming pool, outbuildings or greenhouses, called major exterior attributes (MEAs), the Relocation Agent should look for comparables that have them. If the dwelling most comparable does not have the MEA, the cost of providing it will be determined and added to the purchase price for replacement housing computations.
- d. After selecting the three comparable dwellings, the Agent will choose the one most comparable to the displacement dwelling and perform an interior inspection of it.
- e. If only one or two comparables are available, the parcel file must be documented to show that attempts to locate three comparables were unsuccessful. The most comparable dwelling shall be chosen and the Agent will follow the inspection procedures described in item (d.) above.
- f. If a possible comparable is smaller in heated square footage than the acquired dwelling, the Relocation Agent shall fax the pertinent information regarding each dwelling to the Relocation Assistance Officer. The Relocation Assistance Officer will determine if the smaller comparable is functionally equivalent to the displacement dwelling according to the circumstances outlined in **CFR24.404(c)2**. Approval to use the smaller comparable

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must be approved in writing by the Relocation Assistance Officer.

- g. When choosing the comparable for an occupant of a multi-family dwelling, the Agent should attempt to find a dwelling of the same type as the acquired dwelling (i.e., if the acquired dwelling is a triplex, the Agent should attempt to locate a comparable triplex). If unable to do so, the Agent should look for a comparable of the next lowest density. If there are no available multi-family dwellings on the market, the Agent will choose a single family unit that is comparable to the displacee's living unit. In no case will the Agent choose a comparable that is of a higher density than the acquired dwelling.
- h. If the comparable dwelling requires reasonable repairs or modifications to conform to decent, safe and sanitary standards, such costs may be included in the initial rent or purchase supplement calculations. Such repairs include but are not limited to replacing broken windows, screens, space heaters, etc.
- i. If no comparable rental dwellings are available on the market but a comparable unit is available for sale, the economic rental of that dwelling may be used for computations. The economic rent shall be determined using one of the following methods in successive order:
 - 1. The economic rent may be set by a District Agent familiar with rental rates in the area.
 - 2. The economic rent may be established by the Real Estate Appraisal Division.
 - 3. The economic rent may be determined by some other appropriate means upon approval by the Relocation Assistance Officer.
 - 4. Should the displacee elect to relocate to the comparable, the Department will acquire the

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property and rent it to the displacee at the displacement rent for up to 42 months.

- j. In the event no comparables are available on the market, the Agent may determine the purchase price or economic rent of a comparable dwelling based on the cost of new construction. This purchase price or economic rent will be determined by obtaining written estimates or bids, including a commitment to build or rent for the price specified, from contractors, builders and/or developers in the area. The estimates or bids will be based upon floor plans and specifications based on the most comparable floor plan that can be found or developed. If comparable plans cannot be found or developed the comparable may be based on a replica. The Relocation Assistance Officer must approve all new construction plans and specifications.

The file documentation will include the estimate/bid as well as the floor plan and specifications upon which the estimate was based. This situation may necessitate Last Resort Housing procedures. (See Sections [6.19](#) and [6.20](#).) Should this method of providing comparable housing become necessary for a displacee choosing a rental supplement, the Department will be the landlord of the unit.

1. In those cases where a specific comparable lot is not available for new construction calculations, an estimated value of a lot in the area shall be used for the computations. However, since a comparable dwelling will not have been made available to the displacee, a 90-day vacate date may not be given. The displacee will be advised that if the actual purchase price of a comparable lot is greater than the estimated value used by the Department, and is reasonable, the Department will recalculate. The Agent should also advise the displacee to notify the Department if he/she locates replacement housing,

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so the Department can determine whether the dwelling can be used as a comparable. If the displacee agrees, the Department may use his/her remainder property in the offer computations. A written statement from the displacee to this effect must be placed in the file. The Department may then give the displacee a 90-day vacate date. The value of the remainder for computations will be its after value as set forth in the appraisal. If the remainder is larger than a typical lot, a carve-out of the typical lot size will be made.

2. Economic rent or market rent on the displacement or comparable dwellings shall be established by one of the following means, in successive order:
 - a. The economic rent may be established by comparing the dwelling to similar rentals on the private market.
 - b. The Appraisal Unit may be requested to establish the economic rent for the dwelling. The District Manager should request the Relocation Assistance Officer to obtain a written statement of value from the Appraisal Unit. NOTE: The appraisal report on the displacement dwelling may already specify its economic rent. If it does, the District Manager need only document the facts in the Relocation Log.
 - c. Should the above methods be inadequate to determine economic rent, some other method may be used upon approval by the Relocation Assistance Officer.
- k. When a comparable dwelling is obviously overpriced in relation to other comparables, it shall not be used in the replacement housing payment computation.

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- l. After selecting a comparable replacement dwelling for a displacee, the Agent will complete the **Replacement Comparison and Computation Form** and compute the maximum replacement housing offer. The computation for 180-Day Owner/Occupants shall be done in accordance with subsection **2. COMPUTING THE PURCHASE SUPPLEMENT OFFER**; the computation for 90-Day Occupants and Short Term Occupants shall be done according to subsection **3. COMPUTING THE RENT SUPPLEMENT OFFER**. After computing the offer, the Agent will prepare the appropriate offer letter to the relocatee.
- m. The Agent will make a personal contact with the displacee or his/her representative to present the replacement housing offer.
- n. If, after being presented with the Department's offer, a displacee requests assistance in finding a replacement dwelling other than the comparable, he/she will be afforded advisory services. Such services include, but are not limited to: access to the District's lists of available residential properties; information on federal and state programs and technical help in applying for such assistance; transportation to view replacement properties, especially for elderly and handicapped displacees.
- o. Should a comparable dwelling be withdrawn from the market before the displacee actually selects a replacement, the Agent who computed the payment will determine if market conditions warrant a new replacement housing computation. If necessary, a new comparable will be selected, and the relocatee notified of the adjusted offer. Should the new offer be less than the original offer, the relocation file must be well documented to show that the displacee's right to affordable comparable housing has not been violated.

- p. When the maximum replacement housing offer calculated in accordance with these procedures exceeds the specified monetary limits (\$22,500 for purchase supplements and \$5,250 for rent supplements), the payment will be made under the provisions of Last Resort Housing, as outlined in Section 6.21. No Last Resort housing payments shall be made directly to the displacee, except as noted in that section.

2. COMPUTING THE PURCHASE SUPPLEMENT OFFER

a. Basic Computation

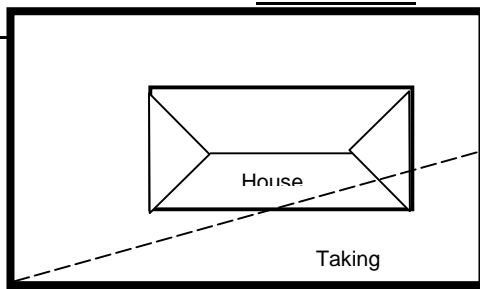
The purchase supplement offer, not to exceed \$22,500, for a 180-day owner is computed by subtracting the acquisition price of the displacement dwelling from the purchase price of the comparable.

b. Determining the acquisition price of the displacement dwelling:

1. If the acquired parcel is typical or smaller in size than is normal for residential use in the area, the acquisition price for computations will be the actual just compensation offer for the parcel, including land, improvements and damages.
2. If the acquired parcel is larger than is typical for residential use in the area, the acquisition price for computations will be the sum of the price paid for the acquired residential improvements plus the prorated portion of the acquisition price and damages paid for that portion of the acquired tract that is typical in size for residential use in the area, plus damages attributable to improvements replaced as items of comparability.

See illustration on the next page.

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TAKING IS A TYPICAL LOT OR SMALLER

Typical Lot Size	1 acre
Total Lot Size	1 acre
Land in Taking	10,890 sf

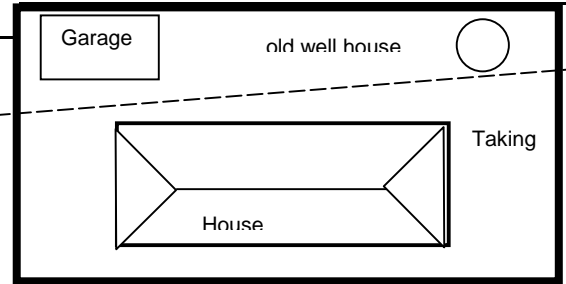
ACQUISITION PRICE

Land	\$	4,356.00
Improvement	\$	25,000.00
Damages-remainder land	\$	4,000.00
TOTAL	\$	33,356.00

Comparable has 1 acre of land

ACQUISITION PRICE FOR COMPUTATIONS

\$33,565



TAKING LARGER THAN TYPICAL LOT

Typical Lot Size	1 acre
Total Lot Size	2 acres (87120 sf)
Land in Taking	65,340 sf

ACQUISITION PRICE

Land	\$	26,136.00
improvement	\$	25,000.00
Damages-Remainder Land	\$	4,000.00
Old W ell House	\$	300.00
2-Car Detached Garage	\$	800.00
TOTAL	\$	56,236.00

Comparable has 1 acre of land and 2-car garage

COMPUTING ACQUISITION COMPUTATIONS PRICE

METHOD 1

Include Items Being Replaced in Comparable

1 acre land 43,460 sf x \$0.40	\$	17,424.00
Improvement	\$	25,000.00
2-Car Detached Garage	\$	800.00
ACQUISITION PRICE FOR COMPUTATIONS	\$	43,224.00

METHOD 2

Exclude Items Not Being Replaced

Old Well House	\$	300.00
.5 acre in taking 21,780 sf x \$0.40	\$	8,712.00
Damages to Remainder Land	\$	4,000.00

Total Carve-out \$ 13,012.00

Acquisition Price \$ 56,236.00
minus Carve-out \$ 13,012.00

ACQUISITION PRICE FOR COMPUTATIONS \$ 43,224.00

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3. If the price the Department pays for an acquired parcel is based on usage higher or better than residential, the acquisition price used for computations will be the actual acquisition price for the parcel.
4. If the displacement dwelling has a major exterior appurtenance such as a swimming pool, outbuilding, detached garage, etc., the acquisition price used in the purchase supplement computation shall include the value of the MEA. If the comparable does not have the MEA, the cost of providing it will be added to the purchase price, as described in item [j.](#) of this section.

c. Partial Interest Owner-Occupants:

When a single family dwelling is owned by several persons, not all of whom occupy it, the replacement housing payment offer will be computed by subtracting the total acquisition price of the displacement dwelling from the purchase price of the comparable dwelling. The actual payment will be limited to the lesser of this computed amount or the difference between the owner-occupant's share of the acquisition price and the actual cost of his/her DSS replacement dwelling. However, if, in the Department's judgment, the occupant cannot afford or obtain financing for the price differential, the occupant may be considered to be a tenant of the estate and therefore be eligible for a down payment subsidy or a rental subsidy payment.

The offer will be made on the [Purchase Supplement Offer Letter – Partial Interest Owners](#).

See worksheet on the next page

PARTIAL INTEREST OWNER-OCCUPANTComputing Offer

Purchase Price of Comparable: of comparable \$ _____
 - Total acquisition price of subject \$ _____
 A. MAXIMUM RELOCATION OFFER \$ _____

Computing Payment

Actual Cost of Replacement \$ _____
 - Displacee's share of acquisition price \$ _____
 B. REPLACEMENT PRICE DIFFERENTIAL \$ _____

PAYMENT IS LOWER OF A OR B ABOVE.

PURCHASE SUPPLEMENT LETTER should be revised as follows:

If all interest owners accept the Department's acquisition offer of \$____(1)____ for the purchase of your property, you may also be entitled to receive a relocation payment of up to \$____(2)____ for the purchase of a replacement house.

To receive any of this additional payment, your replacement home must cost in excess of \$____(3)____, and to receive it all, your replacement home must cost at least \$____(4)____. The actual payment will depend on the actual cost of your replacement house.

- (1.) Total acquisition offer on subject
- (2.) Maximum relocation offer
- (3.) Displacee's share of acquisition offer
- (4.) Displacee's share of acquisition offer + maximum relocation offer
- (3) + (2) = (4)

d. Displacee Is a Partial Interest Owner Who Has Usufruct:

When the displacee is a partial interest owner who has usufruct, the displacee is treated as a total interest owner. However, if such a displacee is legally unable to obtain full interest in the acquisition price, he/she shall be treated as a partial interest owner.

e. Multiple Occupants of One Displacement Dwelling:

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1. If two or more occupants of the same household in a displacement dwelling move to separate replacement dwellings, each occupant is entitled to a reasonable prorated share, as determined by the Department, of any relocation payments that would have been made if the occupants had moved to the same replacement dwelling.
 2. If the Department determines that two or more owner/occupants maintain separate households within the same dwelling, such occupants have separate entitlements to relocation payments. If such a determination is made, the file must be well documented to show that the occupants did indeed maintain separate households. Such documentation should include copies of housing and utility payments made by each occupant. The offer to each occupant shall be based on comparable housing that is equivalent to the quarters occupied by that occupant, plus community rooms that are shared.
- f. Occupants of Multi-Family Dwellings:
The purchase supplement offer to the owner-occupant of a multi-family dwelling will be the difference between the prorated acquisition price of the displacee's share of living area and land in the acquired multi-family dwelling and the prorated cost of such in the comparable dwelling.
1. To calculate the prorated acquisition price of the acquired dwelling, divide the Just Compensation price for the land, improvements and damages attributable to a typical size lot in the area by the total square footage of the multi-family dwelling. This is the price per square foot of the acquired dwelling. Multiply the price per square foot by the number of square feet in the displacee's unit to determine his/her prorated share of the acquisition price.

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For example, compute the prorated acquisition price for the owner-occupant of one unit of a duplex on a lot larger than typical in the area acquired by the Department for a total Just Compensation amount of \$70,000 as follows:

Portion of Just Compensation that applies to dwelling & typical lot In neighborhood	\$65,000
Total square footage in dwelling:	3,000 sq. ft
Square footage in displacee's unit:	1,453 sq. ft
$\$65,000 \div 3000 = \21.67 per sq. foot	
$\$21.67 \times 1,453$ sq. ft = prorated acq. price	\$31,486.51

2. If the comparable dwelling is a single-family dwelling, the entire purchase price will be used to compute the purchase supplement offer. However, if the comparable is a multi-family dwelling, calculate the prorated cost of the individual living unit and land by dividing the purchase price of the multi-family dwelling by the number of square feet in the entire dwelling. Multiply this price per square foot by the number of square feet in the comparable individual living unit.

For example, if the comparable for the displacee described above is a duplex, compute the prorated purchase price as follows:

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Purchase Price	\$78,500
Total Square footage in dwelling	3,530 sq. ft
Square footage in comparable unit	1,503 sq. ft
$\$78,500 \div 3,530 \text{ sq. ft.} = \$22.24 \text{ per sq. ft.}$	
$\$22.24 \times 1,503 = \$33,426.72$ prorated	
purchase price	\$78,500

3. The purchase supplement offer to the displacee would be calculated by subtracting the prorated acquisition price from the prorated purchase price:

$$\$33,426 - \$31,486 = \$1,940 \text{ purchase supplement offer}$$

g. Owner-Occupants Who Own the Dwelling But Not The Land:

The purchase supplement offer for an owner-occupant who owns the dwelling but not the land on an acquired parcel is computed the same as for an owner-occupant of the dwelling and land: subtracting the total acquisition price of the displacement dwelling (including the site) from the purchased price of the comparable dwelling.

The actual payment will depend on whether such an owner is able to get access to the acquisition money for the land. If this is the case, the displacee may provide the Department with legal documentation to this effect, and the RHP payment will be computed as it is for a total interest owner-occupant.

If this option is not available to the displacee, he/she will be treated like a partial-interest owner, and the payment will be the lesser of:

1. The Purchase Supplement Offer; or

2. The difference between the displacee's share of the acquisition price and the actual cost of the replacement.

h. Owner-Occupants Who Reside on Same Premises as Displaced Business, Farm or Non-Profit Organization:

The purchase supplement offer to a residential owner-occupant who resides in the same building as a displaced non-residential entity is computed as follows:

1. Compute the prorated acquisition price of that portion of the building used for living quarters plus that portion of the acquired land that represents a tract typical for residential use in the area.
2. Select a comparable single-family dwelling that has approximately the same living area as the acquired dwelling.
3. The purchase supplement offer will be computed by subtracting 1. from the purchase price of 2.

i. Computing the Offer on Parcels with Remainders:

1. Uneconomic Remainders

- a. If the acquired parcel has an uneconomic remainder, the Department will offer to buy it. If the owner agrees to sell the uneconomic remainder to the Department, its value will be included in the replacement housing offer computations. However, if the owner does not sell the remainder to the Department, the value of the remainder will not be used in the computations.
- b. If the uneconomic remainder has a residentially-occupied improvement, the following procedures shall apply:

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1. The occupants shall be offered full relocation benefits, provided the owner actually sells the remainder to the Department.
2. The Owner may be allowed to retain the dwelling and use it as his/her replacement dwelling in accordance with Section [6.16](#).

j. Major Exterior Attributes (MEAs):

When the displacement dwelling for a 180-Day Owner-Occupant has a major exterior attribute such as an outbuilding, swimming pool, etc., its value will be included in the purchase supplement computations. No separate MEA offer shall be made. Please note: There may be instances where items that are normally minor exterior attributes are excessive or non-typical. In these cases, these items may be treated as MEAs, but only with prior approval of the Relocation Assistance Officer.

1. Computing the Offer - Comparable Has the MEA:

The agent will attempt to find a comparable dwelling that has the MEA. If the comparable has the attribute, the RHP offer will be computed by subtracting the acquisition price of the displacement dwelling from the total price of the comparable. Any portion of the RHP, including the MEA, may be coded federally participating.

2. Computing the Offer - Comparable Lacks the MEA:

If the comparable does not have the MEA, the cost of building the attribute will be added to its purchase price. The RHP offer will be computed by subtracting the acquisition price of the displacement dwelling from this amount. The offer will be made on the [Purchase Supplement Offer Letter –MEA](#).

The actual payment for houses with MEA's will be computed as outlined in Section 6.13 subparagraph 1.(e).

3. Computing the offer - New Construction

In the case where there are no comparables available or where it may be economically advantageous to utilize new construction, the cost of building the attribute will be included in the RHP calculation. In this case, all of the RHP, including the cost of the MEA, may be coded federally participating.

3. COMPUTING THE RENT SUPPLEMENT OFFER

a. Offer to 180-Day Owner-Occupants:

A 180-Day Owner-Occupant eligible for a purchase supplement but who chooses to rent rather than purchase a replacement dwelling may be eligible for a rent supplement . The amount of the rental assistance payment is based on a determination of market rent for the acquired dwelling compared to a comparable rental dwelling available on the market. The offer is the difference between the market rent of the comparable and the displacement, multiplied by 42. The economic rent of the displacement dwelling shall be established in accordance with [1.i.2](#) of this section. Under no circumstances would the rental assistance payment exceed the amount that could have been received had the 180-day homeowner elected to purchase and occupy a comparable replacement dwelling.

b. Offer to 90-Day Occupants:

- a. The rent supplement offer for 90-Day Occupants (90-Day Owner-Occupants, and Tenants for at Least 90 Days), not to exceed \$5,250, is computed by subtracting the base monthly rental plus utilities at the displacement dwelling from the monthly rent and estimated utilities (computed in accordance with e. below) at the comparable dwelling, and multiplying the difference by 42.

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b. The base monthly rental of the displacement dwelling is the lesser of:

1. The average actual monthly cost for rent and utilities at the displacement dwelling for the six month period prior to displacement; or
2. Thirty (30) percent of the displacee's average monthly gross household income if that amount is classified as "low income" by the U.D. Department of Housing and Urban Development.

<http://www.huduser.org/datasets/ura/ura05/RelocAct.html>

3. The income must be documented and the displacee must complete the **Certification of Monthly Income** form. If the person refuses to provide proof of income, the base monthly rental will be determined by 1.

c. Offer to Short Term Occupant:

A Short Term Occupant (Occupant of less than 90 days) for whom no comparable within his/her financial means is available may be eligible for rental assistance under the provisions of [Housing of Last Resort](#). The rent supplement offer is computed by subtracting 30% of the average monthly household income from the monthly rent plus estimated utilities at the comparable, and multiplying the difference by 42.

1. Subsequent Occupants (Displaced)

Subsequent Occupants who occupied the acquired parcel after the initiation of negotiations but before acquisition may be eligible for rental assistance under the provisions of Section 6.19 [Housing of Last Resort](#), if there is no comparable replacement dwelling available within their financial means. Such a displaced person is eligible for a rent supplement offer computed by subtracting 30% of the average monthly household income from the monthly rent plus estimated utilities at the comparable replacement dwelling.

2. Subsequent Occupants (Not Displaced)

Subsequent Occupants who occupied the parcel after its acquisition do not qualify as displaced, and are not eligible for rental assistance. They are, however, eligible for advisory services.

3. Utility Computations

The procedure for utility computations is based on the concept that the actual cost of utilities at the displacement dwelling is the best predictor of estimated utility costs at the comparable dwelling. This approach is based on the following facts:

- a. Utility usage is highly individualized because of ages and lifestyles of displacees; and
- b. The Relocation Assistance Act requires that displacees be offered comparables that closely resemble the characteristics of the displacement dwellings.

The utility usage of displacees in most cases is expected to remain the same after relocation, and since the comparable offered is usually similar in size and construction to the acquired dwelling, utilities at the displacement dwelling and the comparable dwelling will generally be considered to be the same and therefore need not be documented. However, if the difference in size between the comparable and displacement is 100 S.F. greater or less or there is a significant dissimilarity between the dwellings, a utility computation shall be performed, as follows:

PROCEDURES

1. Determining Utility Costs at the Displacement Dwelling:

i. Utilities Included in Rent:

If some or all utilities are included in the rent, the District Relocation Agent will contact the landlord to determine what portion of the rent is dedicated to utilities. This information will be necessary to

compute utilities at the comparable. If only some utilities are included, the average actual monthly cost of the non-furnished utilities will be computed as described in b) below. This amount will be added to the portion of the rent dedicated to utilities to determine the total monthly utility costs.

ii. Utilities Not Included in Rent:

The average cost of utilities at the displacement will be based on the preceding six-month period. During the Occupant Inventory interview, the Agent will request copies of sewer, gas, electricity and water bills for the past 6 months. If the displacee does not have copies, the Agent will obtain the displacee's written permission to obtain these utility costs from the suppliers. When the Agent has this information, he/she will compute the average monthly cost for utilities at the displacement by adding the charges for the past 6 months and dividing the sum by 6.

iii. Displacee in Occupancy Fewer Than 6 Months:

If the displacee occupied the dwelling for fewer than six months, the Agent will compute the average monthly utilities on a "utility finding": During the Occupant Inventory interview, the Agent will obtain documentation of actual costs for the months the displacee was in occupancy. The Agent will then determine the estimated costs for the other months in the six-month period. Average utility costs can frequently be obtained from the supplier. Other acceptable sources for utility findings are HUD schedules or documented utility costs on other acquired dwellings of similar size, construction and occupancy. When the Agent has determined the estimated costs, he/she will add them to the actual costs, and compute the average monthly utility expenditure. This computation will be done on the **Utility Computation Worksheet**, Utility Finding 1.

- iv. In order to develop a data bank of approximate utility costs, each District shall open a Utility Costs file. Copies of any material or information concerning utility costs should be placed in this file. Such documentation may include HUD schedules, estimates from utility suppliers, and copies of actual costs of utilities on dwellings acquired by the Department.

2. Estimating Utility Costs at the Comparable:

i. Utilities Included in Rent:

If all utilities are included in the rent, no additional computation is necessary. If only some utilities are included, a computation for the non-furnished utilities will be made according to below.

ii. Comparable Has The Same Utilities as Displacement:

The estimated utility costs at the comparable dwelling will be based on the cost per square foot at the displacement dwelling multiplied by the number of square feet (heated) at the comparable.

The utility cost per square foot will be calculated by dividing the average monthly utility cost by the number of square feet (heated) at the displacement dwelling. Next, the square footage (heated) at the comparable will be multiplied by the cost per square foot at the displacement. The result will be the estimated monthly utility cost at the comparable.

EXAMPLE

<u>Displacement Dwelling</u>	1534 Sq ft. heated
Average Monthly Utility Costs:	
	Displacement
Electricity	\$ 64.32
Gas	\$ 10.56
Water	\$ 5.00
Sewer	\$ 5.00
Total	\$ 84.88
Average Utility Cost per Square Foot:	
$\$84.88 \div 1534 = .055$	
<u>Comparable Dwelling</u>	1718 Sq ft heated
Estimated Monthly Utilities at Comparable:	
$1718 \text{ S.F.} \times .055 = \95.06	

iii. Unequal Utility Situation at Displacement and Comparable:

If the comparable dwelling has a utility cost (such as for heating or cooling, water or sewer) that the displacement dwelling does not have, a utility finding will be done to determine the estimated monthly cost of utilities at the displacement if it had the same utility situation as the comparable: The Agent will determine what the approximate monthly

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cost of the missing utility would have been at the displacement dwelling. This information can be obtained from the Utility Costs file or by contacting the utility supplier. The Agent will then add this amount to the actual average monthly cost of utilities to compute the utility finding. This computation will be done on the **Utility Computation Worksheet**, Utility Finding 2.

For example, if two adults are being displaced from a 1534 S.F. displacement dwelling that has no central air and heating system, and the comparable is a 1718 S.F. house with central air and heat, the Agent will estimate the average monthly cost of central air and heat in a 1534 S.F. house occupied by two adults using the sources described above. This amount will be added to the average actual monthly utility costs. The estimated utilities at the comparable will then be computed as described in b., using the utility finding as the actual cost at the displacement.

3. Utilities at the Replacement Dwelling:

If the replacement dwelling is considered by the District Agent to be reasonably similar to the comparable dwelling, estimated utilities at the replacement dwelling will be considered equal to the estimated utilities at the comparable. If the Agent determines that the replacement is significantly dissimilar to the comparable, the estimated monthly utility cost will be adjusted accordingly and the documentation placed in the District file.

4. Computing Rent Supplements for Special or Unusual Cases:

- a. For a tenant who paid little or no rent at the acquired dwelling, use the fair market rent to compute the base monthly rental, unless doing so would cause

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a hardship because of the person's income or other circumstances.

- b. For a tenant who has a lower than market rent because the tenant performs a service for the landlord, such as making minor repairs or collecting rents from other tenants, the market rent amount shall be used in the computation unless doing so would cause a hardship. This approach assumes that the value of the service is equal to the discount in the rental rate.
- c. If the average monthly rent plus utilities paid during the last six months is not representative of the rent plus utilities normally paid by the displacee, the average of some other appropriate six-month period may be used. The reasons for such alternate computation shall be documented on the **Occupant Inventory Relocation Log**.
- d. If the present monthly rental at the acquired dwelling is not representative (too high or too low) for market rentals for similar dwellings, the economic rent will be used.
- e. A full-time student or resident of an institution may be assumed to be a dependent, unless the person demonstrates otherwise.
- f. If the displacee receives a government-assisted rental subsidy (such as HUD Section 8), the rent at the displacement dwelling will be the lower of these three figures:
 - o The economic monthly rent + average monthly utilities;
 - o 30% of the average monthly gross household income; or

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- The total amount designated for monthly rent and utilities by the government-assisted program.

The lowest of these figures will be subtracted from the monthly rental plus utilities at the comparable and the difference multiplied by 42.

5. Furniture Supplement Offers

If the displacement dwelling is a furnished unit, every effort should be made to locate a furnished comparable. If this is not possible, the following policy will apply:

- i. The Agent shall attempt to have the landlord furnish the dwelling. If the landlord complies, the rental cost shall be increased to an appropriate amount to recoup the cost of the furniture over a 42-month period.
- ii. If the landlord does not agree to furnish the unit, the displacee shall be eligible for a furniture supplement in order to rent or purchase furniture. The amount of this supplement is limited to the lesser of:
 - a. the rental cost of replacement furniture for a period of 42 months; or
 - b. the purchase price of replacement furniture

The entire amount must be applied to the rental or purchase of furniture. Receipts must be placed in the Relocation File.

- iii. If the displacement dwelling was unfurnished and the comparable dwelling is furnished, the amount of the comparable's rent attributable to furniture will be carved out of the rent supplement computation.

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- iv. Although the entire furniture supplement must be spent on furniture (except as noted in v. following), the furniture itself need not be comparable to that at the displacement dwelling.
- v. Should the displacee choose a down payment supplement, he/she remains eligible for a furniture supplement in addition to the amount of his/her down payment supplement. The furniture supplement may be applied either to the down payment or to the purchase of furniture.

6. Multiple Occupants of one Displacement Dwelling:

- i. If two or more occupants of the same household in a displacement dwelling move to separate replacement dwellings, each occupant is entitled to a reasonable prorated share, as determined by the Department, of any relocation payments that would have been made if the occupants had moved to the same replacement dwelling.
- ii. If the Department determines that two or more occupants maintained separate households within the same dwelling, such occupants have separate entitlements to relocation benefits. If such a determination is made, the file must be well documented to show that the occupants did indeed maintain separate households. Such documentation should include copies of rent payments and other receipts verifying the fact that each occupant paid a prorated share of expenses.

4. OFFERS FOR DOWN PAYMENT SUPPLEMENTS:

- a. 90-Day Occupants and Short Term Occupants who decide to purchase rather than rent replacement dwellings are eligible to convert their entitlement to a down payment supplement, subject to the following provisions:

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1. A 90-Day Tenant is eligible for payment of any amount up to \$5,250 that is actually applied to the purchase of the replacement dwelling, including incidentals. This is true even if the Rent Supplement Offer is \$0.
2. A 90-Day Owner/Occupant is eligible for a payment for the purchase of a replacement dwelling, including incidental expenses, not to exceed the lesser of:
 - i. The amount the relocatee would have been eligible for as a purchase supplement had he/she met the 180-day occupancy requirement; or
 - ii. The amount of the rent supplement offer; or
 - iii. \$5,250
- b. A Short-Term Occupant or Displaced Subsequent Occupant meeting the financial need requirements is eligible for a payment of any amount that is actually applied to the purchase of a replacement dwelling, including incidentals, not to exceed the amount of the rent supplement offer.
- c. At the time the Agent presents the rent supplement offer to the relocatee, he/she should explain the relocatee's entitlement under this section.

6.13 COMPUTATIONS FOR REPLACEMENT HOUSING PAYMENT

A displacee who relocates within his/her 12-month eligibility period and otherwise meets the eligibility requirements for a replacement housing payment outlined in Section 6.11 must file an application for such benefits no later than eighteen months from the beginning of his prescribed eligibility period as defined in Section 6.15. When a eligible displacee makes an application for these benefits, the Real Estate Agent will compute the displacee's actual entitlement for a purchase supplement, rental supplement or down payment supplement, as described herein:

1. PURCHASE SUPPLEMENTS

a. Basic Computation

An eligible displaced 180-day owner/occupant who purchases a replacement dwelling within his/her 12-month eligibility period is entitled to a purchase supplement not to exceed \$22,500, computed as the difference between the acquisition price of the displacement dwelling and the lesser of:

1. The actual cost of the displacee's replacement dwelling; or
2. The purchase price of the comparable dwelling.

b. Determining The Actual Cost Of The Replacement Dwelling:

1. The actual cost of the replacement dwelling is the price paid for the dwelling at the time of displacement.
2. If the displacee chooses as his replacement dwelling a dwelling that he/she owned prior to displacement, the actual cost of the replacement will be the current fair market value as established by an in-house appraisal. This principle also applies to land owned by the displacee prior to displacement

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upon which the replacement dwelling will be built. If the displacee chooses his/her remainder as the replacement site, its value will be the after value as established in the appraisal report.

3. If the displacee chooses a life estate as his/her replacement, the actual cost shall be the entrance fee plus any other monetary commitments, excluding monetary service charges.
4. If the replacement dwelling requires modifications to bring it up to DSS standards, the documented cost of such modifications may be included in the actual cost of the replacement.
5. Should the displacee choose to do part or all of the construction of his/her replacement dwelling, the value of his/her labor can be considered part of the actual construction cost (sweat equity). However, profit must be deducted since it is not an incurred expense. To evaluate reasonable labor costs, bids should be obtained.

c. Payment to Owner/Occupant of a Single-Family Dwelling Owned By Several Persons, Not All Of Whom Occupy it:

The replacement housing payment to such a displaced owner/occupant shall be limited to the lesser of the offer and the difference between the displacee's share of the acquisition price and the actual cost of the replacement dwelling, as described in [6.12](#).

d. Interest Payments:

In addition to the replacement housing payment, the displacee may be entitled to payment of increased interest costs and incidental expenses incurred in purchasing a replacement dwelling. Such payment shall be made in accordance with the procedures described in Section [6.14](#).

e. Payments for Houses with Major External Attributes (MEAs):

When the displacement dwelling has a major exterior attribute such as an outbuilding, detached garage, swimming pool, etc., its value shall be included in the RHP offer computations, as described in Section 6.12, 1.e. Regardless of whether or not the replacement has the attribute or whether it is later added, the payment will be computed by subtracting the acquisition price of the displacement dwelling (including the value of the attribute) from the actual purchase price of the replacement dwelling, up to the amount of the RHP offer.

This method of handling purchase supplement payments to displaced 180-Day Owner/Occupants of dwellings with MEAs assures uniform treatment, whether or not the Department is able to find a comparable that has the attribute. However, in cases where the comparable did not have the MEA, the amount of the RHP attributable to the attribute on federal participating projects shall be coded 70. If the comparable had the MEA, the entire RHP amount will be coded 60, federal participating.

2. RENTAL SUPPLEMENTS

a. 90-Day Occupants

1. An eligible displaced 90-day occupant (a 90-Day Owner/Occupant or 90-Day or Longer Tenant) who rents a replacement dwelling within his 12-month eligibility period is entitled to a rental supplement not to exceed \$5,250, computed as 42 times the difference between the base monthly rental/utilities for the acquired dwelling and the lesser of:

- a. The monthly rental plus estimated utilities at the replacement dwelling; or

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- b. The monthly rental plus estimated utilities at the comparable dwelling.
2. If the replacement dwelling is considered by the District Agent to be reasonably similar to the comparable dwelling, estimated utilities at the replacement dwelling will be considered equal to the estimated utilities at the comparable. If the Agent determines that the replacement is significantly dissimilar to the comparable, the estimated monthly utility cost will be adjusted accordingly and the documentation placed in the District file.
3. A 90-Day Occupant who initially rents an eligible unit that is less expensive than the comparable, and who subsequently moves to a more expensive rental unit within his 12-month eligibility period, is eligible for an additional payment. Such payment shall be computed by subtracting the rent at the first replacement unit from the lower of:
 - a. The rent at the new replacement unit, or
 - b. The rent at the comparable unit,and multiplying the difference by the number of months remaining in the 42-month period.
4. Services such as lawn mowing and garbage pickup that were furnished at the displacement unit, but are not furnished at the replacement unit are ineligible for payment.
5. If the replacement dwelling requires reasonable repairs or modifications to bring it up to DSS standards, such costs may be compensated by increasing the rental over the 42-month period. Such repairs and modifications include but are not limited to painting interior or exterior surfaces, and

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replacing broken windows, screens and space heaters, etc.

- a. If the landlord makes the necessary repairs, he/she is eligible to be reimbursed for the actual cost of the repairs, except that the amount of this payment plus the actual rent supplement payment shall not exceed the amount of the original rent supplement offer.
 - b. No payment will be made until the repairs have actually been made. The file must be documented with receipts for the repairs, and no payments will be made until the Department has inspected the dwelling and certified it as meeting DSS standards.
6. Furniture Supplement Payments to eligible displacees shall be made only if the displacee actually rents or purchases replacement furniture in accordance with Section 6.12, [Furniture Supplement Offers](#). The file must be documented with copies of the receipts.

b. 180-Day Occupants

1. A 180-Day Owner-Occupant eligible for a purchase supplement but who chooses to rent rather than purchase a replacement dwelling may be eligible for a rent supplement . The amount of the rental assistance payment is based on a determination of market rent for the acquired dwelling compared to a comparable rental dwelling available on the market. The offer is the difference between the market rent of the comparable and the displacement, multiplied by 42. The actual amount of the payment shall be the lesser of:
 - a. The amount of the purchase supplement offer;
or

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- b. 42 times the difference between the market rental at the acquired dwelling and the market rent at the comparable dwelling
 2. If after receiving a rent supplement, a 180-Day Owner purchases a dwelling within his 12-month period of eligibility, he/she is eligible to receive the balance of a purchase supplement computed in accordance with Section 6.12, after deducting the amount of the rental supplement payments made. In no case shall the total replacement housing payment exceed the amount that could have been received had the 180-Day Home Owner elected to purchase and occupy a comparable replacement dwelling.
- c. Short Term Occupants and Subsequent Occupants (Displaced)
 1. A Short Term Occupant (an owner/occupant or tenant of less than 90 days) or a Displaced Subsequent Occupant (a person who occupied the acquired dwelling after the initiation of negotiations but before the date of acquisition) may be eligible to receive a rent supplement if the monthly rent including utilities of a replacement dwelling is greater than 30% of his/her gross monthly household income. Such payment shall be paid under the provisions of Housing of Last Resort and shall be the lesser of:
 - a. 42 times the difference between the monthly rental including utilities at a comparable dwelling and 30% of the relocatee's average monthly household income; or
 - b. 42 times the difference between the monthly rental including utilities at the replacement

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dwelling and 30% of the relocatee's average monthly household income.

2. In order to be eligible for this payment, the relocatee must submit documentation of the average monthly household income and complete the **Certification of Monthly Income form**. If the relocatee is receiving a welfare assistance payment from a program that designates amounts for shelter and utilities, the total of these two amounts shall be used instead of 30% of the household income to compute the payment.

3. DOWN PAYMENT SUPPLEMENTS

a. 90-Day Occupants

1. A displaced 90-Day Occupant who is eligible for a rent supplement but chooses to purchase a replacement dwelling may elect to receive a down payment supplement instead of a rent supplement. This payment, not to exceed \$5,250, must be applied in its entirety to the purchase price of the replacement dwelling, including related incidental expenses. The down payment supplement may exceed the amount of the rent supplement offer, but in the case of a 90-Day Owner, may not exceed the amount the owner would have been eligible for as a purchase supplement had he/she been a 180-Day Owner.
2. Within the above restrictions, a relocatee who purchases a dwelling for more than \$5,250 is eligible to receive the maximum payment, with the provision that the entire amount be applied to the purchase.
3. If the price of the replacement including allowable incidentals is less than \$5,250, the relocatee is eligible for the entire amount of these costs.

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b. Short Term Occupants and Subsequent Occupants (Displaced)

A displaced short-term occupant or displaced subsequent occupant eligible to receive a rent supplement who chooses to purchase rather than rent replacement housing may convert his rent supplement to a down payment supplement. The amount of the down payment supplement is limited to the amount of the rent supplement offer up to a maximum of \$5,250, and the entire amount must be applied to the purchase price of the replacement.

c. 180-Day Owner/Occupants

A displaced 180-Day Owner is not eligible to receive a down payment supplement.

6.14 INTEREST DIFFERENTIAL AND INCIDENTAL EXPENSE PAYMENTS

Payment for increased interest is provided to compensate a 180-day owner/occupant for the additional interest costs incurred in financing a loan for a replacement dwelling at a higher interest rate than that on the acquired dwelling. Payment for incidental expenses is provided to reimburse a displacee who purchases a replacement dwelling the necessary and reasonable costs incurred incident to said purchase, excluding prepaid interest.

1. INTEREST DIFFERENTIAL

- a. The interest differential payment shall be the amount that will reduce the mortgage balance on a new mortgage to an amount that could be amortized with the same monthly payment for principal and interest as that for the mortgage(s) on the displacement dwelling. This payment shall be made only when the interest rate on the replacement dwelling is higher than that on the acquired dwelling, and the acquired dwelling was encumbered by a bonafide mortgage which was a valid lien on said dwelling for not less than 180 days prior to the initiation of negotiations on the parcel. In addition, the payment shall include other debt service costs (points, assumption fees) if not paid as incidental costs.
- b. A relocatee eligible for an interest differential payment shall be advised of the approximate amount of that payment. The estimate shall be based on financing the same amount of money as the balance of the mortgage on the acquired dwelling for the same number of months as are remaining on the mortgage on the acquired dwelling at the prevailing interest rate, using the buydown method.
- c. If the acquired dwelling is located on a tract of land normal in size for residential use in the area and the existing mortgage

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requires that the entire mortgage balance be paid because of the partial acquisition of the tract by the Department, the entire amount of the computed buydown will constitute the estimate. However, if the existing mortgage does not require that the entire mortgage balance be paid, the computed buydown estimate will be reduced by the same proportion that the acquisition price bears to the before value.

- d. If the acquired dwelling is located on a tract of land larger than normal size for residential use in the area, the mortgage balance used to compute the estimate shall be reduced by the same proportion that the value of that portion of the tract that is typical in size to a normal residential lot bears to the before value of the entire tract.
- e. The interest estimate on multi-purpose properties shall be reduced proportionally to reflect the residential value of the multi-use property relative to the before value.
- f. If the acquired dwelling is located on a tract appraised as higher or better than residential use, but the mortgage is based on the residential value, the interest estimate shall be the full amount of the computed buydown. However, if the mortgage is based on the higher use rather than residential use, the computed buydown shall be reduced by the same proportion that the estimated residential value of the parcel bears to the before value.
- g. Points on Mortgage Interest Rate Higher on Acquired Dwelling than Replacement: Determine what interest rate corresponds with 0 points. If that rate is still lower than the existing mortgage, the Department will not participate in point costs. If the interest rate with 0 points is higher than the rate of the existing mortgage, we will pay lesser of that interest differential or the points.
- h. As soon as the Real Estate Agent learns the details of the mortgage on the acquired dwelling, he/she will contact the Headquarters Relocation unit with the following information:

1. Mortgage Information on Displacement Dwelling:

1. Mortgage balance
2. Interest rate (If the displacement has an adjustable rate mortgage, the interest rate in effect at the time of the computation shall be used.)
3. Term (number of months remaining on mortgage)
4. Monthly payment

2. Prevailing Interest Rate Information:

1. Prevailing interest rate
2. Prevailing points

j. The Headquarters Relocation Agent will compute the amount of the estimated interest differential payment using the software program New Mortgage Toolbox. The Headquarters Agent will fax the computation sheet to the District Agent. The District Agent will notify the displacee of the estimated amount of the interest payment, documenting the file Log of Contacts if this is done verbally.

k. As soon as the relocatee advises the Real Estate Agent of the specific terms of the mortgage on the replacement dwelling, the actual amount of the of the interest differential payment will be computed:

1. The payment shall be based on the unpaid mortgage balance(s) on the displacement dwelling; however, if the person obtains a smaller mortgage than the mortgage balance(s) on the displacement dwelling, the payment will be prorated and reduced accordingly. In the case of a home equity loan, the unpaid balance shall be that balance which existed 180 days prior to the initiation of negotiations or the balance on the date of acquisition, whichever is less.

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2. The payment shall be based on the remaining term of the mortgages(s) on the displacement dwelling or the term of new mortgage, whichever is shorter.
 3. The interest rate on the new mortgage used in determining the amount of the payment shall not exceed the prevailing fixed interest rate for conventional mortgages currently charged by mortgage lending institutions in area in which the replacement dwelling is located.
 4. Purchaser's points and loan origination or assumption fees, but not seller's points, shall be paid to the extent that they are not paid as incidental expenses, they do not exceed prevailing rates in the area, and they are necessary, as determined by the Department. Points and fees shall be based on the unpaid mortgage balance on the displacement dwelling, less the amount determined for the reduction of said mortgage balance by the buydown.
 5. In those instances when the relocatee chooses a loan with higher discount points than the prevailing rate/points in order to obtain a more favorable interest rate, it will be necessary to perform two interest computations, one using the prevailing interest rate plus points at that time and the other using the actual interest rate and points the relocatee has chosen. The lesser of these two amounts shall be the amount of the interest differential.
- I. As soon as the Real Estate Agent learns the details of the new mortgage on the replacement dwelling, he/she will contact the Headquarters Relocation Unit with the following information:
1. Mortgage Information on Displacement Dwelling:
 - i. Mortgage balance
 - ii. Interest rate
 - iii. Term (number of months remaining)

iv. Monthly payment

2. New Mortgage Information

i. New interest rate (or prevailing rate in area, if lower)

ii. New term

iii. Number of points (or prevailing rate in area, if lower)

m. The Headquarters Relocation Agent will compute the actual interest payment using the computer software New Mortgage Toolbox and will fax the computation sheet to the District Agent. The District Agent will verbally notify the relocatee of the actual interest entitlement and will process the payment in accordance with Section 6.15.

2. INCIDENTAL EXPENSES

a. Incidental expenses are those expenses incurred in the purchase of a replacement dwelling. The following items are allowable as incidental expenses if normally paid by the buyer:

1. Legal, closing and related costs, including those for title search/ abstract conveyance contract preparation, notary fees, surveys, drawing or plat preparation, and recordation charges;
2. Lender, FHA or VA appraisal fees;
3. Lender, FHA or VA application fees;
4. Tax services fees;
5. The cost for a professional home inspection.
6. Certification of structural soundness and termite inspection, when required;

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7. Credit report;
 8. Owner's and mortgagee's title insurance, not to exceed the cost for a comparable replacement dwelling; if the sale is a cash sale,, the cost of the warranty title deed from the closing attorney.
 9. Escrow Agent's fee;
 10. State revenue or documentary stamps, sales or transfer taxes, not to exceed the cost for a comparable dwelling;
 11. Lenders or VA loan funding fee;
 12. Mortgage insurance premiums;
 13. Reasonable loan origination or assumption fees customarily assessed for a typical loan that do not represent prepaid interest, not to exceed those payable on the old mortgage balance.
 14. EPA endorsement fee
 15. Other charges that the Department determines are necessary and incidental to the purchase.
- b. If the actual cost of the replacement dwelling exceeds the purchase price of the comparable, any incidental expense charges must be reduced to reflect only that portion applicable to the purchase price of the comparable.
- c. Excluded as incidental expenses are any fees, costs, charges or expenses which are determined to be part of the debt service or finance charge, such as discount points and assumption fees.

6.15 CLAIMS FOR REPLACEMENT HOUSING PAYMENTS

Application for replacement housing payments shall be in writing on the Department's **Replacement Housing Payment Claim**. The latest date for filing such application is 18 months after:

- For tenants, the date of displacement; and
- For owner-occupants, the date of displacement or the date of the final payment for the acquisition of the property, whichever is later. In the case of expropriation, the date shall be 18 months after the date of final adjudication (last legal action).

This time period may be extended up to six months by the Real Estate Administrator for good cause.

The **Replacement Housing Payment Claim** will be prepared by the Real Estate District Agent and presented to the displacee for signature. The Agent will then recommend approval of the claim and submit it with appropriate documentation and vouchers to the Relocation Assistance Officer.

The Relocation Assistance Officer or his/her assistant will review the claim. If the claim meets all eligibility and documentary requirements, it will be approved and processed for payment. If it does not, it will be returned to the District Agent for appropriate action.

Checks for replacement housing payments will be delivered to the displacee by a different Agent than the one who computed the payment.

PROCEDURES:

1. Prior to submitting a claim for a replacement housing payment, the Agent will complete an Housing Inspection Form for the replacement dwelling, attaching any applicable checklists, and certifying that the replacement meets the applicable standards for **decent, safe and sanitary** housing as set forth in 6.3.
2. If a displacee relocates to a state other than Louisiana, the Agent will request the Highway Department of that State to

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perform the required inspection of the replacement dwelling. If circumstances make it impossible for the Agent or a third party to inspect the replacement, a certification from the displacee that he/she has occupied decent, safe and sanitary housing will be sufficient.

3. Ordinarily, payment should be deferred until the displacee actually occupies decent, safe and sanitary housing. The Department may make the payment to a displacee in advance of the actual move if it is determined that delaying the payment would cause the displacee hardship, provided he/she presents sufficient evidence of the pending purchase or rental of a decent, safe and sanitary replacement dwelling (see subparagraph 9.)
4. Following the displacee's acceptance of the Department's replacement housing payment offer, the Agent will prepare the Replacement Housing Claim form. After completing the form, the Agent will present it to the displacee for the displacee's review and signature, and obtain any outstanding documentation necessary to support the claim. The original claim will be maintained in the Official Relocation Parcel File, which is kept at the District during relocation activities and then forwarded to Headquarters for placement in the Central File Room.
5. The Agent will prepare a [voucher](#) for payment of the claim and submit it with the supporting documentation and a copy of the signed claim to the Relocation Assistance Officer for approval.
6. The Relocation Assistance Officer will review the claim. If he/she finds any errors or discrepancies, he/she will return it to the District Officer for clarification or correction. If the claim meets all federal and state regulations, the Relocation Assistance Officer will approve it and forward it to the Real Estate Administrator for approval and final processing for payment by the Financial Services Section. The Financial Services Section will prepare the relocation check and forward it to the Headquarters Real Estate Unit, where the Relocation Assistance Officer will transmit it to the District.

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7. The Headquarters Relocation Unit will keep computerized records of all relocation payments. Such records shall be maintained on the VM Computer Relocation Database and shall include the following information:

Project number, parcel number, relocatee name and occupancy type, vacate date, amount and type of payments, dates relocation checks are sent to the field and delivered to the relocatee, and dates claims are filed.

These records shall be used to compile relocation payment data for federal or other reports, as mandated by law or otherwise requested.

8. When the relocation check reaches the District, an Agent other than the one who computed the replacement housing payment will deliver the check to the relocatee. Receipt of the check by the relocatee will be acknowledged on the relocation [Check Receipt](#), or in the case of an owner-occupant whose property was expropriated, on the relocation Check Receipt. The relocatee will be given a copy of the signed receipt, and another copy will be forwarded to the Relocation Assistance Officer. The original will be placed in the District Relocation parcel file.

9. Advance Payments:

All claims and checks for replacement housing payments shall be handled promptly so as to minimize any financial hardship to the displacees. In those cases where regular processing procedures would present a hardship to the displacee, advance payment of relocation monies may be requested from the Relocation Assistance Officer. For such advance payments to be approved, the relocatee must present evidence of his/her commitment to purchase or rent DSS housing. Procedures for making advance payments are as follows:

- a. The relocatee may request advance payment verbally or in writing for the amount of the computed payment.

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He/she must submit sufficient proof of purchase or rental, such as a purchase agreement, contract for new construction, lease or rent receipt.

- b. The Agent will inspect the replacement dwelling or plans for the replacement dwelling for compliance with all DSS standards.
 - c. The Agent will prepare a [voucher](#) for the advance payment. Vouchers for purchase supplements and down payment supplements shall be payable jointly to the relocatee and the seller of the replacement property. Vouchers for rental supplements, interest and incidental expenses may be payable directly to the displacee. After the voucher is prepared, it shall be submitted along with the appropriate documentation and the advance request to the Relocation Assistance Officer.
 - d. If the Relocation Assistance Officer agrees that advance payment is described in subparagraphs 2 through 4 above. Receipt of the check shall be acknowledged on the [Relocation Payment Check Receipt](#).
 - e. Deductions: An Agency shall deduct the amount of any advance relocation payment from the relocation payment(s) to which a displaced person is otherwise entitled. The Agency shall not withhold any part of a relocation payment to a displaced person to satisfy an obligation to any other creditor.
10. Notice of denial of claim: If the agency disapproves all or part of a payment claimed or refused to consider the claim on its merits because of untimely filing or other grounds, it shall promptly notify the claimant in writing of the basis of its determination and the procedures for appealing that determination.

REQUIRED SUPPORTING DOCUMENTATION VOUCHERS

Vouchers for Purchase Supplements

- **Replacement Comparison and Computation Sheet**
- **Purchase Agreement or Construction Contract for Replacement Dwelling**
- **Housing Inspection Reports** on the Comparable and the Replacement
- **Claim Form** if not an advance payment

Vouchers for Rental Supplements

- **Replacement Comparison and Computation Sheet**
- **Copies of Leases or receipts for rent at displacement and replacement dwellings**
- **Utility Computation Worksheet**, if necessary
- **Housing Inspection Reports** on the Comparable and the Replacement
- **Claim Form**, if not an advance payment

Vouchers for Down Payment Supplements

- **Replacement Comparison and Computation Sheet**
- **Purchase Agreement or Construction Contract for Replacement Dwelling**
- **Housing Inspection Reports** on the Comparable and the Replacement
- **Claim Form** if not an advance payment

Vouchers for Furniture Supplements

- **Inventory of furniture in displacement dwelling**
- **Documentation of costs to rent furniture for 42 months vs. buying it**
- **Bill or receipt for replacement**
- **Claim form**, if not an advance payment.

Vouchers for Interest Payments and/or Incidentals

- **Copies of mortgages on displacement and replacement dwellings**
- **Copy of interest computations (computer printout or other)**
- **Copy of closing statement (or estimated closing statement for advance payment)**
- **Claim Form**, if not an advance payment

6.16 RETAINED REPLACEMENT DWELLING

A displaced owner-occupant should be allowed the option of retaining his/her dwelling in accordance with the Department's retention policy. In the event the relocatee chooses his/her retained dwelling as the replacement dwelling, the replacement housing payment, in the form of a purchase supplement, will be computed in accordance with the following procedures.

PROCEDURES:

1. As soon as possible after the owner-occupant elects to retain his/her dwelling as his replacement, the Agent will complete an Inspection Report Form covering the retained dwelling. It is imperative that a close inspection be made as to the condition of the dwelling prior to its relocation. Adequate interior and exterior photographs of the dwelling should be taken at this time.
2. The Agent should endeavor to monitor, to the degree practicable, the actual relocation of the dwelling. The primary purpose of this activity is to determine what structural alterations, if any, are required in relocating the dwelling as well as any damages caused to the dwelling as a result of the relocation. Photographs should be taken of all such damages and alterations.
3. The Agent should complete a second Inspection Report Form covering the dwelling at such time as the relocated structure is restored to proper living condition. Any interior or exterior additions and/or other betterments should be noted and photographed.
4. No replacement housing payment can be made unless the total replacement housing costs (lot cost, moving, restoration costs) exceed the acquisition price of the displacement property. Application for the purchase supplement will be made on the Replacement Housing Payment Claim Form. The actual cost of the replacement will be the sum of:

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- a. The cost of retained dwelling (retention value set by Department), plus
 - b. The cost of moving the dwelling, plus any cost necessary to restore the dwelling and site to its condition prior to the move; plus
 - c. The cost of restoring to decent, safe, and sanitary condition; plus
 - d. The current fair market value for residential use of the replacement dwelling site. The establishment of fair market value shall, to the greatest extent practicable, be determined by the Department's Appraisal Unit. However, the services of an independent appraiser may be used if necessary.
5. The displacee may be entitled to eligible incidental expenses and increased interest payments in accordance with [6.14](#).
6. All evidence supporting the costs incurred in relocating the retained dwelling should be attached to the claim (itemized statement and all receipts are to be retained in the District file).
7. A 90-Day owner-occupant eligible for a down payment supplement may retain his/her dwelling, and the replacement housing payment, if any, will be determined in accordance with the above provisions, but may not exceed \$5,250.
8. A payment computed in accordance with the above provisions may not exceed the amount which the owner would have obtained as a purchase supplement computed on the basis of a comparable replacement dwelling.
9. In the event the displacee utilizes a previously purchased lot, the displacee shall be eligible for incidental lot purchase costs. Such incidentals must be documented with receipted bills at the time the lot was purchased.

6.17 MOBILE HOMES

Any displaced person who owns and/or occupies a mobile home located within the required acquisition site is entitled to a payment for expenses incurred in moving personal property from the displacement site. Such displacee may also be entitled to a replacement housing payment on the mobile home and/or home site.

1. GENERAL

Louisiana law considers mobile homes to be personalty rather than realty in most circumstances. Units judged to be personalty are considered movable and become items of relocation; units judged to be realty are considered immovable and are acquired by the Department.

a. Mobile Homes Which Are Realty

The only time a mobile home is considered realty and immovable is when:

1. There is an authentic act, sale, mortgage or sale with mortgage which:
 - a. Describes the mobile home as described in the Certificate of Title or Manufacturer's Certificate of Origin; and
 - b. Describes the tract of land upon which the mobile home is situated; and
 - c. Contains a declaration by the owner of the mobile home that it shall remain permanently attached to the tract described; or
2. The mobile home is totally surrounded by structures and the Appraisal declares it to be realty; or
3. The mobile home owner has recorded an affidavit of its immovability.

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Mobile homes which are tied to the land in the above manner are acquired by the Department along with the property. Owner-occupants of such units are eligible for replacement housing payments for the mobile home and home site, as well as moving payments for the cost of moving their personal property from the unit. The replacement housing payment will be computed in accordance with Section. 6.12, and eligibility will be determined by the length of time the displacee occupied the unit at the displacement site (see subparagraph d below.)

b. Owner-Occupied Mobile Homes Which Are Personalty and Are Moved

Unless the mobile home is attached to the land as described above, it is considered a movable and is an item of relocation. The owner of a unit that is moved is eligible for reimbursement of the actual reasonable costs of moving. As part of the moving expense, the owner may also be entitled to payment for necessary repairs and modifications to the trailer to move it or bring it up to DSS standards. In addition, the owner may be entitled to a replacement housing payment for the mobile home site; however, he/she is not eligible for a replacement housing payment on the mobile home itself.

c. Mobile Homes Which Are Personalty But Are Not Moved

Occasionally, it is impractical to move a mobile home considered personalty under State Law because of one of the following reasons:

1. The mobile home is not and cannot economically be made decent, safe and sanitary because it is structurally unsound, inadequate in size to accommodate the displaced persons, or does not meet code requirements.
2. The mobile home cannot be moved without substantial damage or unreasonable cost.

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3. There are no available comparable replacement sites for the mobile home.
4. The mobile home is DSS, but mobile home park entrance requirements require extensive modifications that are not economical.
5. The mobile home cannot be relocated because it does not meet mobile home park entrance requirements.

Although the Department does not acquire such mobile homes, the owner of such a unit is eligible for a replacement housing payment for the mobile home. Such payment shall be computed using the salvage value or trade-in value of the mobile home, whichever is higher, as the acquisition price. The offer is computed by subtracting the acquisition price from the price of a comparable mobile home. Title of such mobile home remains with the relocatee, who is still responsible for moving the unit off the acquired land at his own expense.

d. Partial acquisition of mobile home park.

The acquisition of a portion of a mobile home park property may leave a remaining part of the property that is not adequate to continue the operation of the park. If the Agency determines that a mobile home located in the remaining part of the property must be moved as a direct result of the project, the occupant of the mobile home shall be considered to be a displaced person who is entitled to relocation payments and other assistance under this part.

e. Determination of Type of Occupancy

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The occupancy status of a relocatee is determined by relocatee's ownership or tenancy of the mobile home - NOT the mobile home site.

The length of occupancy is determined by the length of time the displacee occupied the mobile home on the displacement site prior to the initiation of negotiations.

2. MOVING COSTS AND RELATED EXPENSES

Any displaced person who owns and/or occupies a displaced mobile home is entitled to reimbursement of moving costs and related expenses for moving the mobile home (if it is considered personalty and is relocated), and/or a payment for moving the contents of the mobile home.

a. Owner-Occupants of Mobile Homes Classified as Personalty

The owner-occupant of a displaced mobile home classified as personal property and relocated to the replacement site may be entitled to reimbursement of reasonable and necessary moving costs on an actual cost basis. Reimbursable expenses include, but are not limited to:

1. Moving the mobile home and other personal property.
Moving expenses are generally limited to a 50-mile radius unless the Department determines that a move in excess of 50 miles is justified.
2. Packing, crating, moving, unpacking and uncrating personal property. If these services are performed by the mobile home owner-occupant, payment will be made on the basis of \$40 for the first room and \$15 for each additional room (bathrooms included.)
3. Disconnecting and reconnecting household appliances.
4. The reasonable cost of disassembling, moving and reassembling any attached appurtenances such as porches, decks, skirting and awnings which were not

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acquired, plus the costs of leveling and anchoring the mobile home, and normal utility hook-up charges.

5. The cost of repairs or modifications to enable a mobile home to be moved and/or the costs necessary to make the mobile home decent, safe, and sanitary, providing the Department determines the cost is reasonable and economically feasible.
6. The cost of insurance for the replacement value of the mobile home and other personal property during the move.
7. The replacement value of the mobile home and other personal property lost, stolen, or damaged during the moving process, which is not the fault of or due to the negligence of the displaced person or his/her agent, or employee(s) when insurance covering such loss, theft, or damage is not reasonably available.
8. A nonrefundable mobile home park entrance fee is also reimbursable as part of the moving cost benefit providing the fees do not exceed the fee charged at a comparable mobile home park. The Department must also make the determination that payment of the entrance fee is necessary in order to relocate the mobile home.
9. If the mobile home park charges an impact fee, notify the Relocation Assistance Officer for a determination of whether it is reimbursable.
10. Transportation costs of mobile home occupants to the replacement site.
11. Temporary lodging, including means, for displaced mobile home occupants while a mobile home is being relocated and reestablished at a replacement site. Temporary lodging should be based on a determination that the costs are reasonable and necessary.

b. Moving Payment to Owner/Non-Occupant of A Relocated Mobile Home

The non-occupant owner of a displaced mobile home may be reimbursed for the cost of moving the mobile home from the site based on a moving cost finding or estimate, a documented self-move, or a commercial move. The use of an estimated moving cost is appropriate because in this case the move is not considered residential, but rather a move of personal property or a business move.

c. Moving payments to Tenant-Occupants of Mobile Homes

The tenant-occupant of a displaced mobile home may be reimbursed for the actual costs of moving personal property from the mobile home, or may chose to move on the basis of the schedule. If the tenant does not own the furniture in the unit, payment will be made on the basis of \$40 for the first room and \$15 for each additional room.

2. REPLACEMENT HOUSING PAYMENTS

a. 180-Day Owner-Occupants

A displaced owner-occupant who has owned and occupied a mobile home on the displacement site for at least 180-days immediately preceding the initiation of negotiations is entitled to a replacement housing payment for a replacement site in the form of a purchase supplement if he/she owned the displacement site, or a rent or down payment supplement if he/she rented the displacement site. The displacee may also be eligible for a purchase supplement on the mobile home itself if it is acquired by the Department, or is not moved for one of the five reasons described in subsection [1.c.](#)

1. CASE 1

**DISPLACEE OWNS BOTH MOBILE HOME AND SITE -
MOBILE HOME IS MOVED TO REPLACEMENT SITE:**

The displacee is eligible for moving costs on the mobile home. Such moving costs payment may include the cost of modifications necessary to move the mobile home and/or bring it up to DSS standards. The displacee is also eligible for a purchase supplement not to exceed \$22,500 or the purchase of a replacement site, or a rent supplement not to exceed \$5,250 if he/she chooses to rent a replacement site. The computation will be based on the market rent of the replacement site minus the economic rent of the displacement site.

2. CASE 2

DISPLACEE OWNS MOBILE HOME AND SITE - MOBILE HOME LOT ACQUIRED, AND IS IMPRACTICAL TO MOVE:

The displacee is eligible for purchase supplement payments for both the mobile home and homesite, each computed individually, the sum of which shall not exceed \$22,500. The offer for the mobile home will be computed as described in subsection 1.c., "Mobile Homes Which Are Personalty But Are not Moved."

If the displacee chooses to rent rather than purchase the replacement mobile home and site, he/she is eligible for rent supplements for each. The sum of the two supplements shall not exceed \$5,250.

If the displacee chooses to rent a replacement mobile home and purchase a replacement lot, or vice versa, the rent supplement shall not exceed \$5,250 and the purchase supplement payment shall not exceed the amount of the original RHP offer. In no case shall the total of the two supplements exceed \$22,500.

3. CASE 3

DISPLACEE OWNS MOBILE HOME AND RENTS SITE - MOBILE HOME IS MOVED TO REPLACEMENT SITE:

The displacee is eligible for moving costs for the mobile home. Such payment may include reasonable actual costs

for repairs necessary to move the mobile home and/or bring it up to DSS standards. The displacee is also eligible for a rent supplement or down payment supplement, not to exceed \$5,250, on the replacement site.

**4. CASE 4
DISPLACEE OWNS MOBILE HOME AND RENTS SITE -
MOBILE HOME IS NOT ACQUIRED BUT IS
IMPRACTICAL TO MOVE:**

The displacee is eligible for a purchase supplement on the mobile home, computed as described in subsection [1.c.](#), "Mobile Homes Which Are Personalty But Are Not Moved", not to exceed the amount of the original RHP offer. He/she is also eligible for a rent supplement or down payment supplement on the site, not to exceed \$5,250. The sum of both supplements shall not exceed \$22,500.

**5. CASE 5
DISPLACEE MOVES FROM MOBILE HOME TO
CONVENTIONAL DWELLING:**

In the case where a displaced mobile home-owner/occupant purchase and relocate to a conventional dwelling, the maximum price differential computation will be based on a comparable mobile home and homesite if the displacement unit is acquired or not practical to move. If the mobile home is not acquired and is moved, the computation will be based on a comparable site only. The displacee remains eligible for moving costs for the mobile home, limited to a 50-mile radius.

**6. CASE 6
DISPLACEE MOVES FROM CONVENTIONAL DWELLING
TO MOBILE HOME:**

In the case where a 180-Day homeowner of a conventional dwelling chooses to purchase and relocate to a mobile home, the purchase supplement will be computed in the

usual manner using the conventional dwelling. The cost of the replacement site and site improvements may be included in the computation. The actual payment may not exceed the amount of the original replacement-housing offer.

CASE 7

OWNER-OCCUPIED MOBILE HOME IS MOVEABLE BUT OWNER ELECTS NOT TO MOVE INTO IT BUT TO ACQUIRE ANOTHER MOBILE HOME

If the Agency determines that a mobile home is personal property and may be relocated to a comparable replacement site, but the owner-occupant elects not to do so, the owner is not entitled to a replacement housing payment for the purchase of a replacement mobile home. However, the owner is eligible for moving costs and replacement housing payment for the purchase or rental of a comparable site.

b. 90-Day Owner-Occupants

A displaced tenant or owner-occupant who has owned and actually occupied a mobile home on the displacement site for at least 90 days but less than 180 days immediately preceding the initiation of negotiations is entitled to either a rent supplement or a down payment supplement on a replacement site. The displacee may also be eligible for a rent or down payment supplement on the mobile home itself if the Department acquires it, or it is not practical to move. In either case, the total rental supplement may not exceed \$5,250. If the displacee chooses the down payment option, the payment may not exceed what the displacee would have received as a 180-Day Owner-Occupant or \$5,250, whichever is less.

1. CASE 1

MOBILE HOME MOVED TO REPLACEMENT SITE:

The 90-Day Owner-Occupant of a mobile home that is moved for a moving cost payment for the mobile home. Such payment shall be based on the actual reasonable moving expenses of the mobile home, as well as the actual

costs of any modifications necessary to move the mobile home and/or bring it up to DSS standards.

Such owner-occupant is also eligible for a rent supplement or down payment supplement offer on a replacement site, regardless of whether he/she rented or owned the displacement site. The rental offer will be computed by subtracting the actual or economic rent of the displacement site from the rent of a comparable site. Utilities are included. Such payment shall not exceed \$5,250.

If the displacee elects to purchase a replacement site, he/she may elect to receive a down payment. The amount will be computed in the same manner as a purchase supplement for a 180-day owner. The computed amount, which will include any estimated incidental expenses and increased mortgage costs, will set the upper limit for the down payment supplement, not to exceed \$5,250.

2. CASE 2

MOBILE HOME NOT PRACTICAL TO MOVE

If the mobile home, though considered a movable, is not practical to move because of one of the five reasons listed in subsection 1.c., the owner-occupant is eligible for a rental supplement offer on both the mobile home and home site. Such offer will be based on the rental of a comparable mobile home and home site minus the actual and/or economic rent of the displacement mobile home and home site, not to exceed \$5,250.

If the displacee elects to purchase a replacement unit and site, the owner-occupant may elect to receive a down payment. The amount will be computed in the same manner as a purchase supplement for a 180-Day Owner. The payment will be the lower of this amount or \$5,250.

c. 90-Day Tenants

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1. A displaced tenant who has rented and occupied a mobile home on the displacement site for at least 90 days immediately preceding the initiation of negotiations is entitled to either a rent supplement or a down payment supplement on a replacement mobile home and site.
2. The rental offer will be computed by subtracting the rent of the displacement mobile home and site from the rent of a comparable mobile home and site. If the displacee owned the site, the economic rent of the site will be used in the computations. If there are no comparable mobile homes for rent in the area, a comparable single-family dwelling may be substituted. Utilities are included in the computations. The payment shall not exceed \$5,250.

If the displaced tenant wishes to relocate to the displaced mobile new site, and the rental of the mobile home is increased a reasonable amount because of refurbishment of the unit, the increased rental may be used in computing the payment.

If the displacee elects to purchase a replacement mobile home he/she may elect to receive a down payment. The actual payment may be any amount up to \$5,250 that is actually applied to the purchase of the mobile home and/or site, including incidental expenses and increased mortgage costs. If the displacee elects to rent a mobile home and purchase a site, or vice versa, he/she may choose a combination of a rent supplement and a down payment supplement. However, the sum of both may not exceed \$5,250.

Such displaced tenant is also eligible for a moving payment of personal property in the displacement unit, either on an actual cost basis or according to the moving schedule.

d. Short Term Tenants and Subsequent Occupants (Displaced):

A Short Term Occupant or a Subsequent Occupant (displaced) may be eligible to receive a rent supplement if the monthly rent plus utilities of a replacement exceeds 30% of the gross monthly household income. Such payment shall be paid under

the provisions of Housing of Last Resort. The payment for a Short Term Occupant Or Subsequent Occupants (Displaced) shall be computed according to Section 6.13, [2.c](#).

Such displaced occupants are also eligible for moving payments for personal property in the displacement units, either on an actual cost or schedule basis.

e. Utility Adjustments for Rental Supplements On Mobile Homes

1. If the displacee owns his/her mobile home, no utility adjustment is necessary. If however, such a displacee is a tenant of the acquired site and the rental includes utilities not included in the comparable site rental, the prorated cost of those utilities shall be carved out of the rental computation.
2. If the displacee rents the mobile home and the site, utilities will be handled as discussed in Section [6.12](#) of this manual.

6.18 PURCHASE SUPPLEMENTS ON EXPROPRIATED PARCELS

When a 180-Day owner-occupant's parcel is expropriated by the Department for a just compensation amount greater than the original acquisition offer, the purchase supplement amount must be recomputed using the final just compensation amount. The owner-occupant will be required to refund the Department any excess purchase supplement amount he/she was paid.

PROCEDURES:

1. When a displaced 180-Day owner-occupant whose property is expropriated by the Department signs the Replacement Housing Claim, he/she will be required to sign Section V, in which he/she agrees to refund any excess payment resulting from an increase in the just compensation amount awarded by the court. he/she agrees to the same stipulation when he/she receives the check for payment and signs the [Relocation Check Receipt](#).
2. Upon receipt of the final judgment in an expropriation case, the District Relocation Agent will check the Relocation file to see if the displacee received a purchase supplement. If he/she did, and the final judgment is an amount greater than the original acquisition offer, the Agent will so advise the Real Estate District Manager.
3. The Real Estate District Manager or his/her designee will recompute the purchase supplement payment, using the amount awarded by the court instead of the original acquisition offer.
4. The Relocation Agent will contact the displacee and inform of the amount he/she must refund the Department. The refund amount will be the difference between the purchase supplement payment made to the displacee and the recomputed purchase supplement amount.
5. If the displacee fails to refund the excess amount, the District Manager will advise the Relocation Assistance Officer. The

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Relocation Assistance Officer will notify the Legal Division, which will institute legal action for collection on the Department's behalf.

6.19 LAST RESORT HOUSING GENERAL PROVISIONS

Whenever a project cannot proceed on a timely basis because comparable replacement dwellings are not available within the monetary limits for owners or tenants as specified in 6.12, additional assistance may be provided them under Last Resort housing provisions. Last Resort housing provisions are utilized by the Department on any DOTD highway project that has one or more of the following situations:

1. Comparable replacement housing is not available for a displaced person(s).
2. Comparable replacement housing is available for the displaced person(s), but the computed replacement housing payment exceeds the maximum amounts established in Section 6.12, (\$22,500 for purchase supplements and \$5,250 for rental supplements).
3. There are displaced less-than-90-day occupants who cannot be relocated to comparable replacement dwellings within their financial means.
4. There is little, if any, comparable replacement housing available to displaced persons within an entire program or project area; and the project cannot be advanced to completion in a timely manner without Last Resort housing assistance; and the method selected for providing last resort housing assistance is cost effective, considering all elements which contribute to total project costs.

On any relocation project that requires Last Resort housing, the District Relocation Agent will address Last Resort housing considerations as a part of the Right-of-Way Stage Relocation Plan. This part of the Right-of-Way Stage Relocation Plan will describe the needs of any Last Resort displacees, the housing necessary to meet these needs, and the method of producing this housing.

PROCEDURES

1. During the preparation of the [Right-of-Way Stage Relocation Plan](#), the Relocation Agent will determine if there are relocations that will require Last Resort housing. If there are, the Plan will include a section addressing this issue.
2. The Department will choose a comparable dwelling that places the displacee in the same occupancy status (owner or tenant) as he/she was in prior to displacement. However, if the displacee requests a change in occupancy, the Department may comply if a dwelling is available and is at least as economical as the original comparable.
3. If a tenant requests a down payment supplement, the upper limit of the payment, including closing costs and incidentals, is established by the rent supplement offer.

6.20 METHODS OF PROVIDING LAST RESORT HOUSING

When comparable replacement housing is not available and cannot otherwise be made available, the Department will provide such housing through innovative approaches and methods which may include, but are not limited to the following possible procedures.

PROCEDURES:

1. The Department may provide comparable replacement housing through the purchase of land and/or dwellings. The procedures implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 are required unless such property purchased has been offered for sale on the open market or the owner voluntarily acts to sell his property to the Department, and the owner so certifies in a statement maintained in the Headquarters relocation assistance project file. This includes obtaining an appraisal for houses that will be used as seed houses. The Department shall not purchase tenant-occupied improvements for sale on the market, as seed houses.
2. The Department may provide comparable replacement housing through the rehabilitation of existing dwellings to meet decent, safe, and sanitary requirements provided the cost of acquisition and/or rehabilitation does not exceed the estimated cost of constructing, on a timely basis, a new comparable dwelling meeting the decent, safe, and sanitary requirements of the displacees.
3. The Department may provide comparable replacement housing through the construction of new dwellings, or the relocation of dwellings purchased by the Department for right of way purposes. If dwellings are relocated they will be refurbished or rehabilitated as needed.
4. The Department may provide comparable replacement housing through the transfer of real property surplus from the General Services Administration to the Department. Such transfer shall be subject to such terms and conditions as the General

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Services Administration determines necessary to protect the interest of the United States. The transfer may be made without monetary consideration, except that the Department shall pay to the United States all amounts received from the sale, lease, or other disposition of such property.

5. In those circumstances where the construction of new housing is considered the best means of providing comparable replacement housing, the Department will determine the cost of such construction in accordance with subparagraph 1.j of Section 6.12. The maximum replacement housing payment offer will then be computed and the displacee will be advised of his/her maximum offer. The actual construction will be accomplished by one of the following methods:
 - a. Contract between displacee and contractor usually followed by a letter of credit issued by the Real Estate District Officer and agreed to by the displacee and the contractor. This letter will set forth the terms of payment by the Department to the contractor. The terms of payment may be upon completion and inspection by a Real Estate District Agent, or in the form of progress payments based upon stages of construction with final payment upon completion and inspection.
 - b. Department contracts for the construction (public bids).
 - c. Department contracts with a third party such as the local public housing authority.
 - d. The Department may make a direct loan to the displacee, in the form of a [Bond for Deed](#). This strategy, which must have prior approval of the R.E. Relocation Assistance Officer, shall only be employed when all reasonable other methods of obtaining a mortgage loan have failed.
 - i. Monthly payment will be 30% of the displacee's monthly gross income, unless such a payment would create a hardship. The interest rate will be the prevailing interest rate in the area of the

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displacement, and the term will be computed accordingly. The term shall not exceed thirty years (360 months.) If the payments (including principal, interest, taxes and insurance) result in a term that exceeds 30 years, a balloon payment of the balance of the principal will be due in the 360th month. The Headquarters Relocation Unit will run an amortization table and provide one copy to the displacee and place the other in the [Bond for Deed](#) file, to be used for collecting and recording payments.

- ii. The Department will acquire title to the replacement house and will then enter into a [Bond for Deed](#) contract with the displacee, executing three original documents. The Real Estate Administrator will sign for the Department and the deed shall be recorded in the parish courthouse. One original will be retained in the Headquarters Relocation Loan file, one shall be given to the DOTD Financial Services Section, and the third shall be filed in the courthouse.
- iii. The District Relocation Agent will collect rent checks monthly and forward to Headquarters. The Headquarters Relocation Agent will record check receipt and forward check to accounting. If the displacee fails to make a monthly payment, a letter will be sent to requesting immediate payment. Should a displacee fail to make repeated consecutive payments, the Department may elect to evict, according to the provisions of the [Bond for Deed](#) instrument.
- iv. Title remains with the Department until the final payment is made. At that time, the title will be transferred to the displacee and recorded in the parish courthouse.

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6. The Department may pay for the modification of otherwise suitable replacement housing for handicapped displacees to remove architectural barriers.
7. The status of the displacee may be changed, with his concurrence, from tenant to homeowner when it is more effective to do so, as in cases where a down payment may be less expensive than a Last Resort rental supplement.
8. Under special circumstances, consistent with the definition of a comparable replacement dwelling, modified methods of providing replacement housing of Last Resort permit consideration of replacement housing based on functional equivalency, such as space and physical characteristics different from those in the displacement dwelling, including upgraded but smaller replacement housing that is DSS and adequate to accommodate persons displaced from marginal or substandard housing with probable functional obsolescence. The Relocation Assistance Officer must approve the usage of a smaller comparable. In no event, however, shall a displacee be required to move to a dwelling that is not functionally equivalent to the displacement dwelling.
9. Short Term Occupants (occupants of less than 90 days) who cannot be relocated to comparable replacement housing within their financial means are eligible for a Last Resort rental supplement. The rent supplement offer to such a displacee is computed by subtracting 30 percent of his average monthly gross household income from the monthly rent plus estimated utilities at the comparable, and multiplying the difference by 42.

The actual payment shall be the lesser of:

- a. Forty-two (42) times the difference between the monthly rental including utilities at the comparable and 30 percent of the relocatee's average monthly household income.
- b. Forty-two (42) times the difference between the monthly rental including utilities at the replacement and 30 percent of the relocatee's average monthly household income.

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The relocatee must submit documentation of the average monthly household income, and must complete the [Certification of Monthly Income Form](#). If he/she is receiving a welfare assistance payment from a program that designates amounts for shelter and utilities, the total of these two amounts shall be used instead of 30 percent of the household income to compute the payment.

10. A [short-term occupant](#) eligible for a rent supplement who chooses to purchase replacement housing may elect to receive a down payment supplement. The amount of the down payment, not to exceed \$5,250 is limited to the amount of the rent supplement offer. The entire amount must be applied to the purchase price of the replacement.
11. [Displaced Subsequent Occupants](#) who cannot be relocated to suitable replacement dwellings within their financial means may be eligible for a Last Resort rental supplement. The replacement dwelling need not be comparable to the displacement dwelling (see Subparagraph [8](#)). The computation of entitlement is computed as in [9.a.](#) above.

The Relocation Assistance Office will oversee all methods of providing housing of Last Resort.

6.21 LAST RESORT HOUSING PAYMENTS

Last Resort purchase supplement and down payment supplement payments shall be made jointly to the displacee and the seller or contractor of the replacement dwelling. Last Resort rent supplement payments will be made directly to the relocatee unless it is felt that establishing an escrow account is the only way to relocate the displacee to DSS replacement housing. The decision to establish an escrow account for a displacee will be made by the Relocation Assistance Officer on the recommendation of the Real Estate District Officer.

PROCEDURES:

1. A tenant who is eligible for Last Resort housing but wishes to purchase a replacement dwelling may elect to receive a down payment supplement not to exceed the amount of the computed rental supplement offer. Such supplement must be applied in its entirety to the purchase price, including incidentals and closing costs.
2. A tenant who is eligible for a furniture supplement and who chooses a down payment supplement may apply his/her furniture supplement to the purchase price of the replacement dwelling.
3. The Relocation Agent should provide good advisory services to displaced tenants who choose the down payment option to insure that they are fully aware of all costs associated with home ownership.

6.22 RESIDENTIAL MOVING PAYMENTS

To the greatest extent practicable, no person lawfully occupying real property acquired for the construction of a DOTD highway project shall be required to move from a dwelling without at least 90 days written notice.

1. GENERAL

- a. A person displaced from a residential dwelling or a seasonal residence or a dormitory style room other than a mobile home is eligible for one of the two following types of moving payments:
 1. Payment of actual moving expenses, described in **ACTUAL MOVING COST OPTION**, of this section; or
 2. A fixed payment, as described in subsection 3. **FIXED MOVING COST OPTION**, of this section.
- b. The Agent should ascertain the moving method preferred by the displacee during one of the personal contacts, and should enter this information on the **Occupant Inventory**.
- c. A displaced owner-occupant of a multi-family dwelling is eligible for a residential moving payment for relocating his residence. If such displacee rents out other units in the dwelling, he/she may also be eligible for a business move payment in accordance with Section **6.23**.
- d. When the displacees at one displacement dwelling relocate to separate replacement dwellings, the moving cost payment will be determined by whether the displacees maintained the same or separate households at the displacement dwelling.
 1. If the displacees were considered to be one household, the moving cost eligibility will be determined by whether the separate move is voluntary or whether it is necessitated by the lack of

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a comparable unit. If the separate move is voluntary, and the displacees choose a fixed cost (schedule) move, the moving cost eligibility will be split equally. If they choose an actual cost move, each may be reimbursed on the actual costs of moving his/her personal property, plus a prorated share of disconnect costs at the displacement and reconnect costs at one replacement dwelling. If the separate move is necessitated by the lack of a comparable unit, each displacee is entitled to a separate moving payment.

2. If the displacees were considered to have maintained separate households, each will be entitled to separate moving payments. Such a determination can be made only if the file is well documented to show that each household had exclusive use of separate sleeping, bath and kitchen quarters in the dwelling. Documentation must also include copies of receipts or cancelled checks for separate housing and utility payments.
 3. If such displacees elect to move under the [schedule](#) option, their payment shall be determined by the number of rooms they actually occupied, as well as a proportional amount for the number of community rooms shared with the other household.
- e. A person displaced from a dwelling or seasonal residence or dormitory style room is entitled to receive a fixed moving cost payment as an alternative to a payment for actual moving and related expenses. The payment shall be determined according to the [Schedule](#) option.
 - f. The payment to a person displaced from a dormitory style room with minimal personal possessions or a person who residential move is performed by an agency at no cost to the person shall be limited to the amount stated in the [Schedule](#).

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- g. When an owner-occupant retains his/her dwelling as a replacement, the cost of moving the dwelling is part of his/her replacement housing payment rather than his moving expense payment. However, the displacee is eligible for a payment for moving any items that must be removed from the dwelling for the move. Such payment may be made on an actual cost or schedule basis. In order to be eligible for a schedule move, the rooms claimed must be substantially emptied of their contents. The displacee also is eligible for payment of temporary storage costs of personal property while the dwelling is being moved, with prior approval.

LOUISIANA RESIDENTIAL EXPENSE & DISLOCATION ALLOWANCE SCHEDULE

A. UNFURNISHED UNITS (Furniture Owned by Occupant)

1	2	3	4	5	6	7	8	Each Extra
\$500	\$700	\$900	\$1100	\$1300	\$1500	\$1700	\$1900	\$200

B. FURNISHED UNITS (Furniture Not Owned by Occupant)

1 Room Not Furnished

\$ 375

Each Additional Unfurnished Room

\$ 60

C. EXCEPTIONS

- A person displaced from a residential dwelling, including a mobile home, is eligible for a moving payment regardless of whether they move into DSS or NON-DSS housing.
- Payment for moving expenses shall be processed in accordance with Section 6.22.
- The payment to a person with minimal personal possessions who is in occupancy of a seasonal residence, a dormitory style room or a person whose residential move is performed by an Agency at no cost to the person shall be limited to the amount stated in the Fixed Residential Moving Cost Schedule, Section B.

2. ACTUAL MOVING COST OPTION

Actual cost reimbursement is payment for the actual direct expenses incurred by the displacee in conducting the move. A commercial mover may perform the move or it may be a self-move. Payment will be made for costs incurred and must be supported by receipted bills for labor and equipment. Hourly labor rates should not exceed the cost paid by a commercial mover. Equipment rental fees should be based on the actual cost of renting the equipment but not exceed the cost paid by a commercial mover.

- a. Actual costs may include any of the following:

Transportation of the displaced person and personal property up to 50 miles to the replacement site, unless the Department determines that relocation beyond 50 miles is justified. Such costs may be on a mileage basis, not to exceed current state travel rate per mile, or reasonable actual fee if commercial transport is used. This may include special services such as the cost of an ambulance to transport invalid displacees. The actual reasonable costs of meals and lodging, when the Department determines that such costs are justified may also be eligible.

- b. This also includes the cost of moving personal property onto remaining or other lands owned by the displacee or his landlord.
 - 1. Payment to a commercial mover for completing all or part of the move.
 - 2. If a self-move, payment for the rental of vehicles or equipment such as truck, pads, dollies, etc.

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3. Packing, crating, uncrating and unpacking of personal property.
 4. Payment for the storage of personal property up to 12 months with prior approval. A longer period of time may be approved if the Department determines that it is necessary.
 5. Insurance premiums to cover the replacement value of personal property for damage or loss during the move or during necessary storage.
 6. Replacement value of personal property lost, stolen, or damaged under certain circumstances when insurance is not reasonably available.
 7. Compensation paid to persons employed to help conduct the move.
 8. Payments to service personnel to disconnect, dismantle, remove, reassemble and reinstall household appliances and other personal property, such as a washer, dryer, telephone, etc.
 9. Other moving-related expenses that the Department determines to be reasonable and necessary.
- c. The following expenses are considered ineligible:
1. Additional expenses incurred because of living in a new location;
 2. The cost of moving structures, improvements or other real property in which the displaced person reserved ownership. This does not preclude payment for the costs of moving personal property into a dwelling that is retained and reoccupied on a replacement site.
 3. Improvements at the replacement site;

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4. Interest on loans to cover moving expenses;
5. Personal injury incurred during the move;
6. Costs for storage of personal property on real property leased or owned by the displaced person.
7. Expenses for searching for a replacement dwelling.
8. Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the Department.

d. Types of Actual Cost Residential Moves:

There are two basic types of actual cost residential moves: an [actual cost self move](#) and a [commercial move](#). The total amount of reimbursement under either option is limited only by costs actually incurred that the Department determines are reasonable and necessary for the move. The Agent will use good judgment in determining necessity and reasonableness of costs, and should provide displacees with reasons for the determinations before such costs are actually incurred.

1. Actual Cost Self Moves

- a. A displacee choosing actual cost self moves will be provided with a copy of the [Residential Actual Cost Self Move Form](#). Reimbursement for packing personal items shall be based on the hourly rate set forth on the handout. The Agent should carefully review the number of hours claimed in packing to make sure it is compatible with the inventory moved.
- b. The Agent should provide the displacee with guidelines for record keeping.

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- c. Following the move, the displacee must present an inventory of the items actually moved as well as all other supporting documentation. If questionable costs are submitted, the displaced person should be given an opportunity to provide an explanation. Should the Agent disallow any items, he/she should advise the displacee of the appeal process [Section 6.6](#).

2. Commercial Moves

- a. A displacee choosing a commercial move must submit an inventory of personal property to be moved. The moving cost offer will be based on the lower of two bids submitted by commercial movers. Should there be a large disparity between the bids, the Agent should contact the bidders to ascertain the reason. The Agent may also estimate the cost of the move in order to determine whether the low bid is realistic. Should the low bid be found to be unrealistic, the high bid may be selected if it is judged to be realistic. However, the file must be well documented as to the inadequacy of the low bid. The displacee will be notified of the bid amount in an Establishment of [Estimated Cost of Move letter](#).
- b. In order to claim payment, the displacee must present receipted bills from the moving company. If the list of items actually moved deviates significantly from the original inventory, the established amount may be appropriately adjusted for payment.
- c. If a commercial mover submits a bid for moving the displacee, and the displacee actually employs the company to perform the

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move, the commercial mover shall not be paid for submitting a bid. Language in the bid proposal must provide for the cost of the estimate to be deducted from the final bill.

3. Mobile Home Moves

A displaced person's actual, reasonable and necessary moving expenses for moving personal property from a mobile home may be determined based on the cost of one, or a combination of the following methods: (self-moves based on the lower of two bids or estimates are not eligible for reimbursement under this section. Eligible expenses for moves from a mobile home include those expenses described in paragraphs (b)(1) -(7) of this section. In addition, the owner-occupant of a mobile home that is moved as personal property and used as the person's replacement dwelling, is also eligible for the following moving expenses:

- a. The reasonable cost of disassembling, moving, and reassembling any appurtenances attached to a mobile home, such as porches, decks, skirting, and awnings, which were not acquired, anchoring of the unit, and utility "hookup" charges.
- b. The reasonable cost of repairs and/or modifications so that a mobile home can be moved and/or made decent, safe, and sanitary.
- c. The cost of a nonrefundable mobile home park entrance fee, to the extent it does not exceed the fee at a comparable mobile home park, if the person is displaced from a mobile home park or the Agency determines that payment of the fee is necessary to effect relocation.

3. FIXED MOVING COST OPTION

- a. Residential displacees may choose a self-move based on the number of rooms in the displacement dwelling. When using the [schedule](#), a "counted room" means that space in a dwelling unit containing the usual quantity of household furniture, equipment and personal property. It shall include such space as a living room, dining room, bedrooms, kitchen, recreation room, library, study, laundry room, basement, garage, workshop and patio, and "out buildings" if such places do, in fact, contain sufficient personalty as to constitute a room. Bathrooms will generally be excluded from the room count, unless they contain an unusual amount of furniture or other movables.
- b. Rooms or storage areas containing substantial amounts of personal property relating to the residential occupancy of the property may be counted as additional rooms. An oversized room may contain sufficient furniture for two rooms and can be considered as two rooms. An alcove dining room may be considered a separate room if it contains a normal amount of dining room furniture.
- c. Documentation of the number of rooms in the displacement dwelling, such as a sketch of the floor plan, must be included in the District and Headquarters Relocation File. The Agent determines the amount of the payment, and the displacee is not required to submit any supporting documentation other than verification of the move.
- d. The displaced tenant of a mobile home is eligible for a moving cost payment based on the schedule. If the displacement unit was unfurnished, the displacee shall be paid according to [Part A](#) of the Schedule. If the unit was furnished, the displacee shall be paid according to [Part B](#).
- e. In some cases you may have items involved in a residential move, which do not readily fit into the

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schedule. Examples of such items are butane tanks, satellite dishes, etc. To move these items you may estimate the cost of moving these items and add the number of rooms necessary to cover the cost of moving these items. To make these estimates you need to make phone calls to movers to see what the cost in labor and equipment would be to move these items. Document your files as to the information you received and compute your estimate. Add the number of rooms to cover the amount of your estimate.

Example: Estimate to move a butane tank is \$200.00, the same amount for each additional room from the schedule), In this case you would have to add 1 more room to the room count to cover the cost of moving the butane tank.

- f. In other cases, the characteristics of the move may make a combination fixed move-actual cost move more desirable.

6.23 BUSINESS MOVING EXPENSES

To the greatest extent practicable, no business, farm or non-profit organization occupying real property acquired for the construction of a Department highway project shall be required to move without at least 90 days written notice. Such displacees may be eligible for moving expense payments on the basis of actual, reasonable moving costs, actual direct loss of tangible personal property, certain actual costs of reestablishing their operations, or a fixed payment in lieu of moving expenses based on the operation's average annual net earnings. Such displacees who relocate within their **18-month eligibility period** and otherwise meets the eligibility requirements for a moving payment outlined in this Section must file an application for such benefits within 18 months of the beginning of his prescribed eligibility period.

1. GENERAL:

- A. A displaced business, farm or non-profit organization (hereafter called a business, unless otherwise noted) may be eligible for one or more of the following moving payments:
 - i. The actual reasonable costs of moving and other related expenses, as described in subsection **ACTUAL REASONABLE MOVING EXPENSE METHOD**;
 - ii. The cost of certain expenses incurred in searching for a replacement location for the business, as described in subsection **ACTUAL REASONABLE MOVING EXPENSE METHOD**, paragraph 1.k.
 - iii. The actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business, as described in the subsection **ACTUAL REASONABLE MOVING EXPENSE METHOD**, paragraph 1.l.
 - iv. Payment for certain actual costs of reestablishing the business, up to a maximum of \$10,000, as described in subsection **REESTABLISHMENT EXPENSES**. This benefit is only available to businesses that meet the definition of a small

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business (a business with no more than 500 persons actually working at the displacement site).

- v. A fixed payment between \$1,000 and \$20,000, based on the business's average annual net earnings, as described in subsection **FIXED PAYMENT METHOD (IN LIEU PAYMENT)**. A business choosing this method is not eligible for any of the other types of business move payments described in (1) through (4).

B. The following moving and related expenses are not eligible for reimbursement:

- i. The cost of moving any structure or other real property improvement in which the business reserved ownership;
- ii. Interest on a loan to cover moving expenses;
- iii. Loss of goodwill;
- iv. Loss of profits;
- v. Loss of trained employees;
- vi. Any additional operating expenses of a business or farm operation incurred because of operating in a new location, except as specified in subsection **REESTABLISHMENT EXPENSES**;
- vii. Personal injury;
- viii. Any legal fee or other cost for preparing a claim for a relocation payment or for representing this claimant before the Department;
- ix. Costs of storage of personal property on real property already owned or leased by the displaced business.
- x. Physical changes to the real property at the replacement location of a business or farm operation except as provided as a moving or reestablishment expense.

C. Personal Property That Is Abandoned or Not Moved:

When the business displacee abandons or refuses to move personal property, and makes no effort to dispose of such property by sale or removal at no cost by a junk

dealer, the owner will not be entitled to moving expenses, or losses, for the items involved. In this situation the Department should attempt to obtain a written statement from the owner that he/she is abandoning the property. The statement should itemize the abandoned items. If no such statement can be obtained, the District Agent should notify the Headquarters Relocation Unit, who will refer the parcel to Legal for filing of a Rule to Show Cause. The court will then notify the displaced business that he/she must move the property or it will be considered abandoned and disposed of by the Department.

- D. The displaced owner/occupant of a multi-family dwelling who rents the other unit(s) to tenants may be eligible for a business move payment of actual reasonable moving expenses of personal property in the rental unit(s) in addition to a residential moving payment. However, such a business is not eligible for a fixed moving method in lieu payment.
- E. Payment for business moving expenses shall be processed in accordance with Section [6.23](#).

2. TYPES OF BUSINESS MOVING EXPENSE PAYMENTS:

A. Actual Reasonable Moving Expense Method

Any displaced business or farm operation is entitled to payment for such actual moving and related expenses that the Department determines to be reasonable and necessary. Such expenses include the following:

- i. Transportation of personal property up to 50 miles unless the Department determines that relocation beyond 50 miles is justified. Such costs may be on a mileage basis, not to exceed current state travel rates, or reasonable actual fee if commercial transport is used.
- ii. Packing, crating, unpacking and uncrating of personal property.

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- iii. Disconnecting, dismantling, removing, reassembling, and reinstalling relocated appliances and other personal property. For businesses, farms or nonprofit organizations this includes machinery, equipment, substitute personal property, and connections to utilities available within the building; it also includes modifications to the personal property, including those mandated by Federal, State or local law, code or ordinance, necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property.
- iv. Storage of personal property for 12 months with prior approval. A longer period may be approved if the Department determines that it is necessary.
- v. Insurance for the replacement value of the personal property in connection with the move and approved storage.
- vi. Any license, permit, fees or certification required of the displaced business at the replacement, based on the remaining useful life of the existing license, permit, fees or certification at the displacement site.
- vii. The replacement value of property lost, stolen or damaged in the move (not through the fault or negligence of the displaced person or his or her agent or employee), where insurance covering such loss is not reasonably available.
- viii. Professional services necessary for planning the move of the personal property, and moving and reinstalling it at the replacement site;
- ix. Relettering signs and replacing stationery on hand at the time of displacement that are rendered obsolete by the move;
- x. The reasonable cost of attempting to sell an item that is not to be relocated.
- xi. Impact fees or one-time assessments for anticipated heavy utility usage.

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- xii. Provision of utilities from right-of-way to improvements on the replacement site.
- xiii. Professional services in connection with the purchase or lease of a replacement site.
- xiv. Certain expenses incurred in searching for a replacement location, not to exceed \$2,500.
 - a. Allowable searching expenses include transportation, meals, lodging and the reasonable value of time actually spent searching for a replacement location., obtaining permits, attending hearings, negotiating the purchase or lease of the replacement site. Also included are the fees of real estate agents or brokers who assist in the search. Excluded are costs of preparing the application for moving and related expenses.
 - b. Mileage reimbursement will be based on actual cost supported by paid receipts or at the recognized state mileage rate.
 - c. Payment for time actually spent in the search shall be based on the claimant's average hourly rate, verified by review of income tax returns. A certified statement of time, including a log of dates, times and activities, as well as documentation of salary (income tax returns), shall accompany the claim.
 - d. All expenses claimed must be documented on the Searching Expense Claim Form and supported by receipted bills or other documentation.
- ii. Costs associated with modifying personal property in order to conform to federal, state, or local law, are compensable as actual moving

costs and are limited only to the extent that they are reasonable and necessary.

iii. Direct loss of tangible personal property:

This type of payment is really a substitute for a payment for moving personal property that is not moved but is disposed of by sale or trade-in. It may be appropriate when the business is being discontinued, or when the personal property will not be used in the reestablished business. Many businesses have machinery or equipment that is old, obsolete, in storage, and of marginal value. This benefit provides the business operator a method of compensation for the item without actually having to move it.

- i. The "direct loss" benefit allows the business to be paid an amount up to the cost to move the item. The payment shall be the lesser of:
 - a. The fair market value in place of the item, as is for continued use, but not including any allowance less the proceeds from its sale. (To be eligible for payment, the claimant must make a good faith effort to sell the personal property, unless the Agency determines that such effort is not necessary. When payment for property loss is claimed for goods held for sale, the fair market value shall be based on the cost of the goods to the business, not the potential selling prices.); or
 - b. The estimated cost of moving the item as is, but not including any allowance for storage; or for reconnecting a piece of equipment if the equipment is in storage or

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not being used at the acquired site.

- c. Plus the cost of the sale.
- ii. Payment of actual direct losses may be made only after an honest effort has been made by the owner to sell the item(s), unless the Department makes the determination that the item is obsolete and/or unsellable. If efforts to sell the item are unsuccessful, or if it is declared unsellable, the fair market value for continued use shall be used in the computation. When payment for property loss is claimed for good held for sale, the market value shall be based on the cost of the goods to the business, not the potential selling prices.
- iii. The file must be documented with a copy of the establishment of fair market value of the item, bids for moving the item, documentation of the sales price, if any, of the items. The actual, reasonable costs of advertising and conducting the sale shall be supported by copies of bills of sale or similar documents, and by copies of any advertisements, offers to sell, auction records and other items supporting the bonafide nature of the sale. The Department will then assume the responsibility for moving the item.
- iv. Purchase of substitute personal property:
This option is similar to the actual direct loss of tangible personal property option, except that the item of personal property is not moved but instead is

promptly replaced with a substitute item that performs a comparable function at the replacement site. The payment shall be the lesser of:

- a. The cost of the substitute item (or a comparable item, if the substitute represents a significant upgrade), including installation costs at the replacement site, minus the proceeds of the sale or trade-in of the replaced item; or
 - b. The estimated cost of moving and reinstalling the replaced item, not including storage of the item. (The Department may base the estimated cost on a single bid or estimate.)
- iv. The Department may, on a case-by-case basis, decide that moving-related expenses not listed above are reasonable and necessary, and therefore reimbursable as actual moving expenses.
- v. The owner of a displaced business who chooses an actual cost move must submit an inventory of the items to be moved and request that the Department establish an estimated cost of move. The Agent should verify the items on the list, at least on a spot-check basis. If at all possible, the Agent should assist the displaced business in preparing the inventory. In the event the displacee fails to provide such an inventory, the Agent shall prepare the inventory and have the displacee certify its correctness. If necessary, the

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Department may contract a moving specialist or inventory specialist to perform the inventory.

- vi. *Low value/high bulk.* When the personal property to be moved is of low value and high bulk, and the cost of moving the property would be disproportionate to its value in the judgment of the displacing Agency, the allowable moving cost payment shall not exceed the lesser of:
 - a. The amount which would be received if the property were sold at the site or
 - b. the replacement cost of a comparable quantity delivered to the new business location.

Examples of personal property covered by this provision include, but are not limited to, stockpiled sand, gravel, minerals, metals and other similar items of personal property as determined by the Agency.

- vii. *Notification and inspection*

The Agency shall inform the displaced person, in writing, of the requirements of this section as soon as possible after the initiation of negotiations. This information may be included in the relocation information provided the displaced person. To be eligible for payments under this section the displaced person must:

 - a. Provide the Agency reasonable advance notice of the approximate date of the start of the move or disposition of the personal property and an inventory of the items to be moved. However, the Agency may waive this notice requirement after documenting its file accordingly.
 - b. Permit the Agency to make reasonable and timely inspections of the personal property at

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both the displacement and replacement sites
and to monitor the move.

TIPS ON PERFORMING AN INVENTORY

- a. DRAW A FLOOR LAYOUT. It can be a simple free-hand sketch showing location of major items, access routes, approximate measurements, etc.
- b. TAKE PHOTOS OF ALL MAJOR ITEMS OR GROUPS OF ITEMS.
- c. THE INVENTORY SHOULD BE PERFORMED IN COOPERATION WITH THE BUSINESS OWNER.
- d. ASK QUESTIONS ABOUT UNFAMILIAR ITEMS OR INTENTIONS OF THE BUSINESS: How is this fastened? Can it be dismounted? Do you plan to sell it rather than move it?
- e. DON'T RELY ON A "PAPER" INVENTORY THAT MANY BUSINESSES
- f. MAINTAIN ON A CONTINUOUS BASIS. Take a physical count.
- g. USE SPECIFIC UNITS OF MEASURE TO DESCRIBE ITEMS OR
- h. EXPRESS QUANTITIES. For example, 6-8' metal shelves; not 6 shelves. Use cubic feet (CF), linear feet (LF), pounds (lbs.), etc.
- i. NOTE THE CONDITION OF ITEMS OR SPECIAL CIRCUMSTANCES THAT ARE RELEVANT TO MOVE METHOD OR COST. For example: machine anchoring, delicate glass display racks, machines requiring special leveling and balancing.
- j. DO NOT FEEL COMPELLED TO DEFINE SPECIAL MOVE METHODS OR SOLVE MOVE PROBLEMS WHILE TAKING THE INVENTORY. This is the task when writing specifications.

k. MOVING SPECIFICATIONS: The Agent should prepare or provide for the preparation of the move specifications. The specifications are detailed instructions of when and how the move will be performed. It is imperative that all who bid on the move prepare their bids on the same moving instructions. The specifications also provide the basis for agreement between all parties (Department, displacee and mover) regarding the scope of the work to be performed. The specification list shall include the following items:

1. An inventory of the items to be moved.
2. Any special handling requirements.
3. Any disconnect, removal and installation requirements.
4. The timing of the move. (No overtime is allowable without prior approval.)
5. The location of the displacement and replacement sites.
6. If the move is of a complex nature, specialized consultants may be employed to plan and expedite the move. This could include the services of specialists to develop inventories, as well as specialized industrial consultants to develop move specifications.

B. TYPES OF ACTUAL COST MOVES:

1. Commercial Move:

If the owner of the displaced business wishes to move commercially, the Agent will obtain two acceptable bids from moving companies based on the inventory and specifications. The bids shall be solicited from moving consultants with [Bid Letter and Bid Proposal Form](#). All bids must be submitted on this form, and all appropriate information on the form must be completed, such as man-hours, cost per man-hour, packing materials, equipment, etc. The lower of the two bids will constitute the offer. If there is a large disparity between the bids, the Agent should attempt to resolve it, either by contacting the bidders or preparing his/her own moving cost estimate. Should the low bid be found to be unrealistic, the high bid may be selected if it is judged to be realistic. However, the file must be well documented as to the inadequacy of the low bid. Following the move, the business must supply copies of receipted bills from the mover, as well as a certified inventory of items actually moved.

If the Agent is able to obtain only one bid for a commercial move the file must be well documented that another bid is unobtainable.

2. Self Move:

If the business wishes to take full responsibility for moving the business personally, the Agent will establish an estimate of the cost of the move, not to exceed the cost of moving commercially.

The methods of establishing the estimated cost of the move are as follows:

a. Lower of Two Bids

The cost may be established as the lower of two acceptable bids from qualified moving firms and/or specialists based on the specifications. Bids must be submitted on the [Bid Proposal Form](#). Following the move, the owner must supply a list of items actually moved.

If the Agent is only able to obtain one independent bid, the business may submit its own estimate for the move, and this will constitute the second bid. However, the file must be well documented to clearly establish that it was not possible to obtain a second independent bid.

b. Actual Cost Self-Move

In the absence of independent moving or bids, the Agent may estimate the cost of a self-move as closely as possible. The displaced owner will then be paid his actual reasonable moving costs, supported by a completed Actual Cost Self Move Form, receipted bills or other evidence of costs incurred. Allowable expenses include:

- i. Costs for truck or equipment rental;
- ii. A reasonable amount to cover gas and oil, if the displacee's personal vehicles are used, as well as the cost of insurance and depreciation for the time the vehicles are used in accomplishing the move;
- iii. Wages paid to persons who physically participate in the move. Such costs shall

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be computed on the basis of actual hours worked at an hourly wage not in excess of that paid by commercial movers or contractors in the area;

- iv. Wages paid to employees of the business who supervise the move. Such payment will be based on their regular hourly wage times the number of hours spent supervising the move.

c. Finding

Estimates for low-cost or uncomplicated business moves, not to exceed \$5,000, may be prepared by Department Agents familiar with moving costs in the area. This type of estimate is called a finding. Estimates less than \$3,500 may be prepared by one Agent; estimates between \$3,500 and \$5,000 must be prepared two Agents. A list of items to be moved is required. Following the move, the business must supply a list of items actually moved.

- d. After computing the moving cost estimate by one of the above methods, the Agent will notify the owner of the amount on an Establishment of [Estimated Cost of Move Letter](#).
- e. The Agent should monitor the move to the degree indicated by its complexity and cost. Complicated and/or costly moves shall be more closely monitored than simple, inexpensive moves.
- f. Following the move, the displaced business must supply the Department with the documentation required for the type of move

chosen. The amount claimed shall not exceed the amount specified in the Establishment of [Estimated Cost of Move Letter](#) unless the overage is well documented and the Department deems it reasonable and necessary. If the inventory of items actually moved deviates significantly from the original inventory, the offer will be appropriately adjusted for payment.

- g. If a commercial bidder is paid for submitting a bid and is then awarded the move, the amount of the bid payment shall be deducted from the moving payment.

3. REESTABLISHMENT EXPENSES

- i. In addition to payment for actual moving expenses, a small business is also eligible for a payment up to \$10,000 for actual reasonable and necessary expenses incurred in reestablishing the business.
- ii. If the nature of the business changes subsequent and/or simultaneous to the relocation, the business is still eligible for a reestablishment expense payment.
- iii. A small business is a business that has no more than 500 persons actually working at the displacement site. This includes self-employed individuals who work full-time at the business, businesses with no employees on site (self-service car wash, etc.) and absentee landlords. Excluded are owners of part-time home businesses that do not contribute materially to the household income.
- iv. Eligible expenses under this section include the following:

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1. Repairs or improvements to the replacement real property as required by Federal, State or local law, code or ordinance.
2. Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
3. Construction and installation costs for exterior signing to advertise the business.
4. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling or carpeting.
5. Licenses, fees and permits when not paid as part of moving expenses.
6. Feasibility surveys, soil testing and marketing studies.
7. Advertisement of replacement location.
8. Estimated increased costs of operation during the first two years at the replacement site for such items as:
 - a. Lease or rental charges (increased costs for purchasing a replacement site are excluded);
 - b. Personal or real property taxes;
 - c. Insurance premiums; and
 - d. Utility charges, excluding impact fees.
 - e. Other items that the Department considers essential to the reestablishment of the business.
- v. In no event shall total costs paid under this section exceed \$10,000.

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- vi. The following expenses are not eligible as reestablishment expenses:
 - 1. Purchase of capital assets, such as office furniture, filing cabinets, machinery or trade fixtures.
 - 2. Purchase of manufacturing materials, production supplies, product inventory or other items used in the normal course of the business operation.
 - 3. Interior and exterior refurbishments at the replacement site which are for aesthetic purposes, except as provided in item (5) under eligible expenses.
 - 4. Interest on money borrowed to make the move or purchase the replacement property.
- vii. Advance payment of reestablishment expenses may be made if not doing so will create a hardship for the business. However, such requests must be documented with finalized bids or other documentation of anticipated actual costs of items claimed. A completed **Reestablishment Expense Worksheet** must also accompany the request.

4. FIXED PAYMENT METHOD (IN LIEU PAYMENT)

- a. An eligible business, farm and non-profit organization may choose to take a fixed payment for moving instead of payment for actual moving expenses and/or reestablishment expenses. This type of payment, called an In Lieu payment, is based on the average annual income of the operation for the two years preceding displacement. It cannot be less than \$1,000 nor more than \$20,000.
- b. A business displacee who wishes an In Lieu payment must submit the request in writing to the District Relocation Agent. The Agent will then submit the request with all supporting documentation to the Relocation

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Assistance Officer, with a recommendation for approval or disapproval based on whether the business meets the criteria outlined below. The Relocation Assistance Officer will determine the business's eligibility for the in lieu payment and notify the Agent.

c. In Lieu Payments to Businesses

1. To be eligible for an in lieu payment, a business must meet the following criteria:
 - a. The business owns or rents personal property at the displacement site which must be moved and for which an expense would be incurred in such move; and the business vacates or relocates from the displacement site; and
 - b. The business cannot be relocated without a substantial loss of existing patronage. *The substantial loss of patronage criteria is assumed to exist for a displaced business unless the Department determines that it will not suffer such a loss; and*
 - c. The business is not part of a commercial enterprise that has more than three other entities that are not being acquired which are under the same ownership and engaged in the same or similar business activities; and
 - d. The business contributes materially to the income of the displaced person during the two taxable years prior to displacement (or during such other period the Department determines to be more representative.) A business is considered to contribute materially if:
 1. It had average annual gross receipts of at least \$5,000; or

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2. It had average annual net earnings of at least \$1,000; or
 3. It contributed at least 33-1/3 percent of the owner's or operator's average annual gross income from all sources; or
 4. If the above criteria create a hardship or inequity in any given case, the Department may approve other more appropriate criteria.
- e. The business is not operated solely for the purpose of renting such dwellings to others; and
 - f. The business is not operated solely for the purpose of renting the site (including structures) to others.
- b. Determining the number of businesses displaced: In determining whether two or more displaced legal entities constitute a single business which is entitled to only one fixed payment, the following questions should be addressed:
- a. To what extent are the same premises and equipment shared?
 - b. Are the functions of the businesses substantially identical, interrelated or commingled?
 - c. Are the entities presented to their clientele and the public as one business?
 - d. Does the same person or a closely related person own, control or manage the businesses?
- c. Determining the amount of the payment:

The in lieu payment for a displaced business shall be based on the average annual net earnings of the business during the two taxable years prior to the taxable

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year in which it was displaced. It may not be less than \$1,000 or more than \$20,000.

- a. If the two taxable years specified above are not representative of the business's average annual income, the Department may use a two-year period beginning with two years prior to negotiations for the project that would be more representative. Prior to utilizing this alternative procedure, it must be determined that the proposed construction resulted in the outflow of residents who patronized the business, thereby negatively impacting the business's sales.
- b. Whenever possible, U.S. Internal Revenue Service tax returns shall be used to compute payments. The net earnings will include any compensation paid by the business to the owner, his spouse or dependents during the two-year period. In the case of a corporate owner of a business, earnings shall include any compensation paid to the spouse or dependents of the owner of a majority interest in the corporation. For the purpose of determining majority ownership, stock held by a husband, his wife, and their dependent children shall be treated as one unit.
- c. Schedule C (Form 1040) Profit or Loss from Business -- Use line for "Net profit or (loss)" plus that amount of line "Wages" that represents payment to the business owner's spouse or dependents. Copies of the appropriate IRS forms must be attached to document the amount of the wages.
- d. Form 1120 U.S. Corporation Income Tax Return - Use line for "taxable income before net operating loss deduction and other special deductions" plus:

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- e. That amount, if any, that represents compensation to the owner(s) of the business, as shown on Schedule E; and
- f. That amount, if any, on the line "salaries and wages" that represents payment to the business owner's spouse and/or dependents. Copies of the appropriate W2 forms or Form 1099 must be attached to document the amount of the wages.
- g. Form 1065 U.S. Partnership Return of Income Use line for "Ordinary income or loss from trade or business activities" plus on Schedule K, line for "Net earnings (loss) from self-employment." NOTE: If there is any income from oil, gas or geothermal properties shown on Schedule K, call Headquarters for assistance in computing the payment.
- h. If the business has no tax returns, some other acceptable method of establishing annual income may be substituted, such as a certified financial statement or an affidavit from the owner stating the business's annual net earnings. The Department reserves the right to review the financial records of the business if one of these types of documentation is used.
- i. If the business was not in operation for the full two specified taxable years, the payment shall be computed by dividing the net earnings of the business for the period it was in operation by the number of months it was in operation, then multiplying by twelve. This figure will be the amount of the In Lieu payment, within the \$1,000- \$20,000 limits.

5. In Lieu Payments to Farms

A displaced farm operation may choose an in lieu payment computed in accordance with [In Lieu Payments to Businesses](#) if it meets the following conditions:

- a. The acquisition of part of the land caused the farm operator to be displaced from the farm operation on the remaining land; or
- b. The partial acquisition caused a substantial change in the nature of the farm operation.

6. In Lieu Payments to Non-Profit Organizations:

- a. In order to qualify as a Non-Profit Organization, the operation must be incorporated under the applicable laws of the State as a non-profit organization, and must be exempt from paying Federal income taxes under Section 501 of the Internal Revenue Code.
- b. A displaced non-profit organization may elect to take an in lieu payment if the Department determines that it cannot be relocated without a substantial loss of existing patronage (membership or clientele). A non-profit organization is assumed to meet these criteria unless the Department determines otherwise.
- c. The payment, which shall not be less than \$1,000 nor more than \$20,000, shall be based on the average of the gross revenues less administrative expenses for the two years prior to displacement. Any payment in excess of \$1,000 must be supported with financial statements for the two twelve-month periods used in the computation.

7. SIGNBOARDS

Signboards, regardless of ownership, are not items of relocation. They shall be purchased in the acquisition process.

STEPS IN HANDLING BUSINESS MOVES

1. DETERMINE IF BUSINESS WILL BE REESTABLISHED. If yes,
 - Document replacement site requirements
 - Determine if specials are need to assist in the move planning
 - Assess the time needed to complete the move
 - Assess difficulty in locating a replacement property
 - Identify advance payments that might be necessary to facilitate the move
2. IDENTIFY REPLACEMENT SITE.
3. IDENTIFY PERSONAL PROPERTY TO BE MOVED. Early determination of whether items are personalty or realty is essential.
4. PREPARE INVENTORY OF PERSONAL PROPERTY TO BE MOVED.
5. IDENTIFY ITEMS REQUIRING SPECIAL HANDLING, PACKING & CRATING.
6. EXPLAIN DIRECT LOSS OF TANGIBLE PROPERTY & THE PURCHASE OFSUBSTITUTE PROPERTY.
7. ASSIST IN PREPARATION OF MOVE SPECIFICATIONS.
8. DETERMINE MANPOWER & TRADESMEN NEEDED TO COMPLETE THE MOVE.
9. DETERMINE MATERIALS & EQUIPMENT NEEDED TO PERFORM THE MOVE.
- 10.HAVE OWNER SELECT MOVE OPTION PREFERRED.
- 11.ASSIST IN PREPARATION OF MOVING SCHEDULE FOR COMPLICATED MOVES.
- 12.INSURE THAT MOVE CONDUCTED IN ACCORDANCE WITH SPECIFICATIONS.
- 13.CONDUCT POST-MOVE INSPECTION.
- 14.PROCESS MOVING CLAIM FOR PAYMENT.

6.24 CLAIMS FOR MOVING EXPENSES

Application for moving expense payments shall be made in writing on the appropriate claim form: **Residential Moving Expense Claim Form** for residential displacees and **Non-Residential Moving Expense Claim Form** for businesses, farms and non-profit organizations. The latest date for filing such a claim is eighteen months after the later of:

1. The date the displacee moves from the acquired property; or
2. The date of acquisition, or in the case of expropriation, the date of final adjudication.

The claim will be prepared by the Real Estate District Relocation Agent and presented to the displacee for signature. The Agent will then recommend approval or disapproval of the claim and submit it with appropriate documentation and vouchers to the Relocation Assistance Officer.

The Relocation Assistance Officer will review the claim. If it meets all eligibility and documentary requirements, it will be approved and processed for payment. If there is some deficiency in the claim, it will be returned to the District Agent for appropriate action.

A different Agent than the one who computed the payment will deliver moving expense checks to the displacee.

PROCEDURES:

1. Following the displacee's move from the acquired property, the District Agent shall prepare the appropriate moving expense claim form and present it to the displacee for review and signature and to obtain any outstanding documentation necessary to support the claim. The original claim will be maintained in the official Relocation Parcel File.

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2. The Agent shall prepare a [voucher](#) for payment of the claim and submit it with the supporting documentation to the Relocation Assistance Officer for approval.
3. The Relocation Assistance Officer or his/her assistant will review the claim. If there are any errors or discrepancies, it will be returned to the District Agent for clarification or correction. If the claim meets all federal and state regulations, the Relocation Assistance Officer will approve it and forward it to the Real Estate Administrator for approval and final processing for payment by the Financial Services Section. The Financial Services Section will prepare the relocation check and forward it to the Headquarters Real Estate Unit, where the Relocation Assistance Officer will transmit it to the District.
4. The Headquarters Relocation Unit will keep computerized records of all relocation moving payments. Such records shall be maintained on the VM Relocation Database and shall contain the following information:

Project number, parcel number, relocatee name and occupancy type, vacate date, amount and type of payments, dates relocation checks are sent to the field and delivered to the relocatee, and date claim is filed.

These records shall be used to compile relocation payment data for federal or other reports, as mandated by law or otherwise requested.

5. When the relocation check reaches the District, an Agent shall deliver the check to the displacee. Receipt of the check by the relocatee shall be acknowledged on the [Relocation Check Receipt](#). The relocatee will be given a copy of the signed receipt, and another copy will be forwarded to the Relocation Assistance Officer. The original receipt will be placed in the District relocation parcel file.
6. Advance Payments (Payments Made In Advance of Finalization of Claim Form):

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All claims and checks for moving payments shall be handled promptly so as to minimize any financial hardship to the displacees. In those cases where regular processing procedures would present a hardship to the displacee, advance payment of relocation monies may be made. Procedures for advance payments are as follows:

- a. The relocatee may request advance payment verbally or in writing.
 - b. The Agent will prepare a voucher for the advance payment and submit it along with the appropriate documentation to the Relocation Assistance Officer.
 - c. If the Relocation Assistance Officer agrees that the advance payment is appropriate, he/she will place the voucher in line for payment as described in items 3 through 5 above.
7. Notice of denial of claim: If the agency disapproves all or part of a payment claimed or refused to consider the claim on its merits because of untimely filing or other grounds, it shall promptly notify the claimant in writing of the basis of its determination and the procedures for appealing that determination.

REQUIRED SUPPORTING DOCUMENTATION VOUCHERS

Residential Actual Cost Moves

- **Copies of all moving cost bids and receipts.**
- **A completed Actual Cost Self Move Form**, if the move is not done commercially and the displacee is claiming costs for labor, vehicle rental and mileage, etc must be attached.
- **Claim Form** if not advance payment.

Residential Schedule Moves

- **A copy of the floor plan of the dwelling** (not necessarily to scale) in order to document room count. If adjustments are made to the room count to compensate for storage areas, etc., a memo to the files explaining the reason for the adjustment.
- **Claim Form** if not advance payment.

Business Actual Cost Moves

As applicable:

- **Copies of all receipts, moving bids, or findings.**
- **Direct loss of tangible property:**
 1. Fair market value for continued use of item;
 2. Documentation of selling price;
 3. Receipts for advertising the sale of the item;
 4. Bids for moving the item.
- **Substitute personal property:**
 1. Replacement cost plus installation costs of new item;
 2. Computations for prorating costs of new item if it is a significant upgrade from old item;
 3. Bids for moving the item.
- **Actual cost self move:**
 1. Completed Actual Cost Self Move Form;
 2. Mileage records;
 3. Documentation of wages of any persons assisting in the move

- **Searching expenses**
 1. Copy of Searching Expense Form with required documentation;
 2. Claim Form if not advance payment.
- **Reestablishment Expenses**
 1. Copy of Worksheet for Reestablishment Expenses. If partial reestablishment payments are made, a worksheet must be attached to each voucher, with the expenses for that voucher highlighted. This is necessary in order to keep a running tab of payments made.
 2. As applicable: copies of all receipts or bills or firm bids, tax statements, lease charges, and utility costs; if cost to cure payment made at acquisition, copy of Appraisal Review Sheet; Claim Form if not an advance payment
- **In Lieu Payments**

As applicable:

 1. Copies of tax returns used in computation (including W2 Forms or 1099 Forms to document wages to business owner's dependents or spouse, if claimed);
 2. Copies of certified financial statements;
 3. For non-profit organizations
 - Copies of certified financial reports of gross revenues and certified statements of administrative costs;
 - Claim Form, if not advance payment.

6.25 COMPUTER

The Relocation Assistance Screen (Screen 10) on the Real Estate Acquisition Management System (RAMS) has been designed to aid management. All required data shall be entered promptly and accurately to effectively utilize the computer program.

PROCEDURES:

1. Upon receipt of the Right of Way Plans in the District, the Real Estate District Officer shall assign Real Estate Agent(s) to prepare Occupant inventories.
2. A copy of the completed Occupant Inventory shall be furnished to the data entry operator in order to set up the Relocation Screen. The set up of these screens should be accomplished within three (3) working days of receipt of the Occupant Inventories.
3. For updating the Relocation Screen, the information is to be written on the District Worksheet by the Real Estate Agent. This completed form should be given to the Real Estate District Officer no later than the morning of the next working day, except in certain cases of approved leave. The Real Estate District Officer shall provide this information to the data entry operator. The entry of the data should occur no later than the end of the next working day after the activity takes place.
4. The information entered on the computer by the Headquarters data entry operator shall be supplied by a Real Estate Agent trained in Relocation Assistance Policy and Procedures. The headquarters input shall be entered into the computer no later than the end of the next working day after the activity takes place.